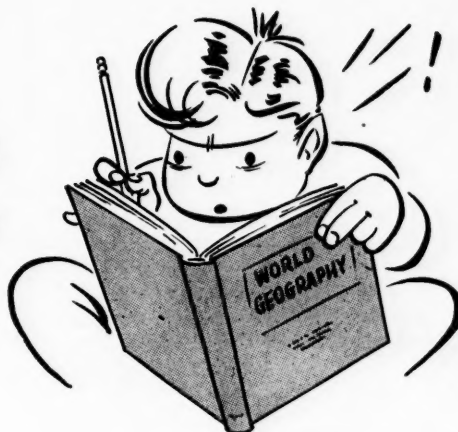


The NATIONAL UNDERWRITER

Life Insurance Edition

Where is Rome?



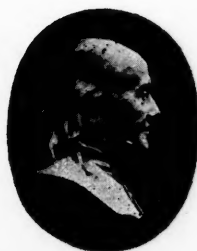
The Rome we speak of is a thriving community in northwest Georgia. But it is important to the Franklin Life as the headquarters of one of our leading agencies. General Agents Knox and Henderson Wyatt are second generation Franklinites, their father having started the agency in 1911.

At the end of seven months of this year Rome stands in seventh place among Franklin agencies with well over \$2,250,000 of paid business. A cousin, Wyatt Ransom, has paid for over \$380,000 during this period. Knox has paid for over \$370,000. And brother Henderson has paid for over \$280,000. Three other members of the agency have each paid for in excess of \$200,000.

Commenting on the agency performance Knox says, "I realize that we are only average. But I think *we demonstrate the value of a Franklin franchise* for a small town operator, since our activities are in small localities in not too rich a section."

Knox is unduly modest. We are tremendously proud of him, his brother, and his wonderful associates. Last year his cash earnings exceeded \$30,000. His brother earned well over \$17,000. Ransom exceeded the \$15,000 figure. The other three—relative newcomers—will certainly be up in the top income bracket for 1948.

A Franklin franchise is indeed valuable—in Rome or elsewhere.



The Friendly

FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT

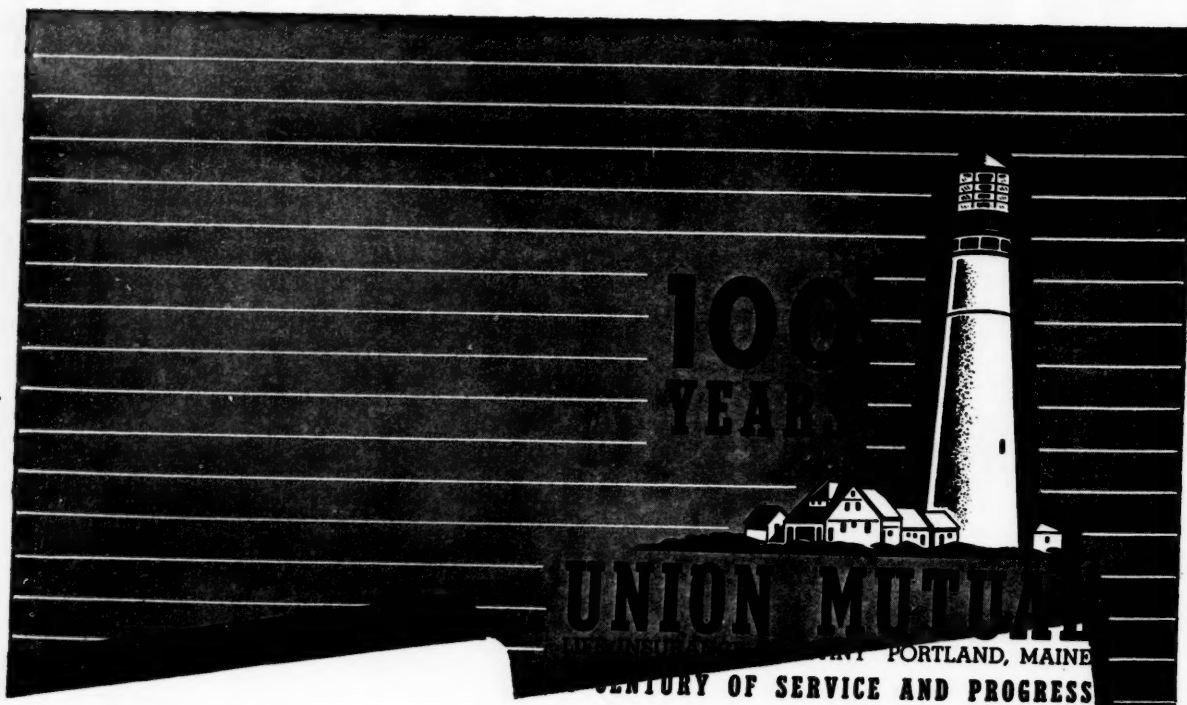
SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

Over \$600,000,000.00 insurance in force

FRIDAY, SEPTEMBER 24, 1948



Recipe . . .

FOR THE PRIME OF LIFE INSURANCE

- ① Take a sound "old-line" company — one that is at least one hundred years old.
- ② Add an alert, well-knit sales organization — one backed by a strong, forward-looking management in the Home Office.
- ③ Season with a young, progressive spirit — one which has a true record of pioneering for one hundred years.

result: UNION MUTUAL — a company which provides you with a complete personal insurance program which you may offer to your clients with confidence and pride.

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Orr Takes Helm of NALU; All Agents on Trustee Slate Win

Personal Producers Now Hold Two-Thirds of Places on Board

"The most harmonious convention in years," was the general feeling of those who attended the National Assn. of Life Underwriters annual gathering in St. Louis.

There were no big, burning issues to resolve and even the three matters that might have produced some fireworks—the increase in national dues, the election of trustees, and the question of appointing a committee to confer with the company organizations on agents' compensation—were taken care of smoothly without any outward sign of turmoil. The increase in dues from \$3 to \$4, effective Jan. 1, 1949, seems to have been accepted with good grace even by the associations that would have preferred to see action held off until they could get their own members sold on

NEW OFFICERS ELECTED

President—Clifford H. Orr, general agent National Life of Vermont, Philadelphia.

Vice-president—Judd C. Benson, general agent Union Central Life, Cincinnati.

Secretary—John D. Moynahan, manager Metropolitan Life, Berwyn, Ill.

Treasurer—Harry Gardiner, general agent John Hancock Mutual, New York City.

Trustees, two years—Verne C. Gilbert, Equitable Life of Iowa, Portland, Ore.; Herbert R. Hill, manager Life of Virginia, Richmond; John R. Humphries, Provident Life & Accident, Chattanooga; W. Ray Moss, general agent Connecticut Mutual, Louisville; Simon D. Weissman, Equitable Society, Boston; Ray T. Wright, Provident Mutual, Lawrence, Kan. **Trustee, one year**—F. LeRoy Garabrant, New York Life, Asbury Park, N. J.

boosting not only national dues but the dues of their local and/or state associations, many of which need a dues raise. Even some of those who felt the increase should be voted at once conceded that a better job of selling the local and state associations could have been done.

Opposition Didn't Become Vocal

A number of national council members who objected to the timing of the national dues increase were all set to take a strong position against it at the council meeting. But after the reading of the report of Treasurer Walter E. Barton, who had died only two days before in the convention hotel, and who, in his report, cogently argued the need for an immediate dues increase, and after the powerful appeals of John P. Costello, Southwestern Life, Dallas, and Carlton Cox, Metropolitan Life, Paterson, N. J., it apparently seemed clear to the measure's opponents that their cause was lost and that speaking their minds could accomplish nothing except inject a note of discord and spoil the unanimous vote that backers of the measure

(CONTINUED ON PAGE 21)

Warns of Risks in Some Marital Deduction Plans

FRENCH LICK, IND.—Clients who stand to benefit by the marital estate tax deduction should have their estates rearranged at once to take advantage of it and no method should be used that involves the slightest unnecessary risk of voiding the deduction, Denis B. Maduro, New York City life insurance lawyer, told members of the Million Dollar Round Table.



D. B. Maduro

The risk of the client's dying before the many uncertain points in the 1948 tax law are cleared up is enough to warrant the extra work that life insurance men, home offices, lawyers and trust companies will have to do in the event that it proves they were more conservative than necessary, he said. For instance, a widow could be deprived of some \$71,000 because failure to program a \$500,000 estate to get the marital deduction had resulted in a payment of \$116,000 estate tax instead of \$45,000.

Mr. Maduro particularly emphasized the necessity of being as certain as possible that the deduction would not be vitiated by inclusion of some provision or neglecting to exclude some provision that might, under the technical interpretation of the law that is to be expected in connection tax relief measures, be construed to fail to meet the requirements. He stressed especially the danger of using the type of settlement option provision aimed at complying with the marital deduction requirement, that says the proceeds are to go to beneficiaries specified by the insured in the event the wife fails to exercise her right to revoke this designation.

Mr. Maduro said that life companies are using this but he considers it not 100% sure. On the other hand, he approves of a provision stating that the proceeds go to the wife but that in the event she fails to exercise her power to say who shall receive them when she dies they shall go to the children or whoever else may be designated. He

said this may seem to be a fine distinction but as one instance illustrating how the distinction could be vital he cited the situation of a man who died and whose wife died almost immediately afterward. Mr. Maduro felt that the deduction may be denied on the ground that the proceeds had "passed" from the insured to the contingent beneficiaries.

Hedging Should Be More Pointed

While the many companies that state in their field bulletins that the first type of arrangement would qualify for the deduction expressly hedge by saying that this is their opinion, yet agents are so accustomed to accepting without question information in home office bulletins that Mr. Maduro said they should qualify their statements even further and point out that there is a considerable body of opinion to the effect that it would not qualify.

Also in connection with the right of disposition, Mr. Maduro said that since there must be no limit on the right of withdrawal if power of disposition is limited to the wife's lifetime, then there should be eliminated such restrictions as withdrawal only on the anniversary date. Neither should there be any requirement such as making the withdrawal request on company forms, or compliance with other such details.

Matter of Ethics

Throughout his talk Mr. Maduro emphasized that he was not taking an arbitrary stand but was merely telling what he felt he had to do for his clients as a matter of sound ethics, even though it meant more work now and the possibility of re-doing much of the job later on.

Failure to take prompt action and on the surest possible basis not only risks losing all the marital deduction benefits but also imposing all the detriments of the old basis and upsets all the estate planning that has been based on the belief that the marital deduction would be allowed.

Besides the right of disposition he mentioned the following safeguards:

Each policy left to the wife should be left to her only and not shared by anyone else. If this means having the

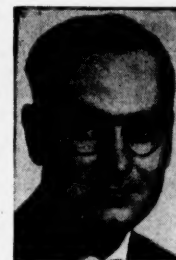
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MDRT Changes to Calendar Year Qualification Basis

Provision Made to Prevent Hardship to Members Making Switch

By **ROBERT B. MITCHELL**

FRENCH LICK, IND.—The Million Dollar Round Table voted at its annual meeting here to change its qualification requirements to a calendar year basis beginning in 1950, instead of allowing members to qualify by using any 12 consecutive months within an 18-month period. Out of the 713 members who qualified this year 359 did so on a calendar year basis.



Paul W. Cook

No one will be deprived of a full 12-month period in which to make his qualifications, even though it may require re-using in 1948 or 1949 some business that has previously been credited to his round table membership. Any duplicated business, however, cannot

NEW OFFICERS ELECTED

Chairman—Paul W. Cook, Mutual Benefit Life, Chicago.

Vice-chairman—Theodore Widing, Provident Mutual, Philadelphia.

Members of executive committee—Paul Dunnagan, Canada Life, Minneapolis, immediate past chairman; John O. Todd, Northwestern Mutual, Chicago, (reelected); Walter N. Hiller, Penn Mutual, Chicago.

exceed an average of \$83,333 a month for a maximum period of six months.

The present system of using any 12 consecutive months or less ending not earlier than Dec. 31, but not later than June 30, will be continued without change with respect to qualification for the 1949 round table.

Rule Avoids Unfairness

Several technical changes in the by-laws were required in order to avoid any injustice with respect to present or future members who are currently working on qualifications for 1949.

Principal reasons for the change were to put all qualifying members on an equal basis and permit applicants to receive approval of their membership earlier in the year, to simplify the necessary applications and credit certifications for the benefit of the applicant, the home office and the chairman; to make it possible, with an even larger membership in the future, for the chairman to complete his approvals in time to permit a meeting earlier in the year than Sept. 15. An earlier date for the N.A.L.U. annual meeting or difficulty in obtaining hotel accommodations might make this advisable.

The only change effective in any way prior to qualification for the 1950 round table will be that the roll-back in credits may be taken by an applicant for the

(CONTINUED ON PAGE 23)

N.A.L.U. Officers Elected at St. Louis



New officers of the National Assn. of Life Underwriters following their election at the St. Louis convention: left to right, Clifford H. Orr, National Life of Vermont, Philadelphia, president; John D. Moynahan, Metropolitan Life, Berwyn, Ill., secretary; Judd C. Benson, Union Central, Cincinnati, vice-president; and Harry Gardiner, John Hancock, New York City, treasurer.

State Officials Decide to Seek Parley with FTC

N.A.I.C. at Chicago Meet Move Guardedly on Federal Question

The more than 30 insurance commissioners or other departmental representatives attending a special meeting of the N. A. I. C. executive committee at Chicago last week, voted unanimously in favor of authorizing appointment of a committee to confer with federal trade commission on the questions raised by FTC in the realm of mail order insurance activities in FTC's recent interrogatory to insurance commissioners.

A letter from N. A. I. C. to FTC will state that the commissioners at Chicago were unanimous in their expressions of willingness to supply FTC with all available factual data bearing on the problem in question and also informing FTC that the executive committee and the president of N. A. I. C. were authorized to appoint a committee to review with FTC all pertinent matters and that an early conference between the commissioners' committee and FTC at Washington is desired.

Also, it is understood, the commissioners took steps to have the all-industry committee reactivated for the purpose of carrying forward studies on the question of what, if any, additional controls at the state level are desirable in the matter of mail order and unauthorized insurance.

One Session Open

Morning and afternoon sessions were held the first day and then there was a morning session the second day. The first session was open to industry representatives but the others were closed.

Much of the discussion, it is understood, dealt with various procedures of federal trade commission and of the post office department dealing with fraud and unfair trade practices. Many of the commissioners had very sketchy ideas of just how these federal agencies proceed and they were interested in getting posted on these matters. There were no representatives of federal trade commission present.

There was the utmost interest indicated, it is understood, in just how far FTC intends to go. The letter that was sent to the individual commissioners from Edward W. Thomerson, FTC assistant general counsel, under date of Aug. 2, had been studied closely. Some of the commissioners were inclined to attach significance to the request in the Thomerson letter for information not only regarding companies that operate exclusively by mail, but also as to those that use agents to follow up leads received from advertising. They felt that the latter inquiry might well lead into fields beyond the type of company that is generally thought of as a mail order insurer.

Some of the commissioners, in lobby discussion, pointed out that a number of the states have enacted state fair trade practices acts that were designed to oust FTC of jurisdiction under public law 15. Hence, if FTC should undertake to take a hand in insurance regulation, the question might arise particularly as to the validity of any move that FTC might make in those states that have on their statute books counterparts of FTC legislation.

The whole issue was brought to a focus by the filing of a request with FTC for a trade practices conference

(CONTINUED ON PAGE 24)

Companies Get Ready to Write TDB Line in N. J.

About 35,000 employers representing approximately \$30 million in annual premium volume have become potential prospects for the sale of private temporary disability plans in New Jersey. It is estimated that there are 1½ million employees who will come under the act, in groups of four or more. Group writing companies are gearing to write as much of the business as they can get. One reason group life companies are eager to get TDB business is to protect the group they have outstanding.

Sees Similar Laws in All States

One company executive expects that temporary disability laws will be passed in all 48 states. Nevada, Washington, and Oregon are expected to pass such legislation in the coming year. Indiana and Illinois have turned down such bills, but new ones will be introduced. If all the states acquire disability legislation it would give coverage amounting to \$1½ billion in premiums nationwide, based on a \$20 premium on 60 million jobs.

One reason management of those companies active in New Jersey regard their efforts there as more than of one-state importance is that they believe similar legislation is certain in other states, and New Jersey will be a laboratory for testing methods and procedures.

Machinery Being Set Up

A number of preparations are being made by companies to obtain new TDB business. One large life company is developing a full time salaried organization for the field. This department will have a geographic breakdown into regional managers, associate regional sales managers, and district managers. They will assist the agent as salaried specialists and make the second call on the prospect with the agent, when a plan will be outlined and explained. The agent will receive the commission.

The casualty companies are setting up separate departments in the home offices and assigning to them the group A. & H. personnel that they have. The casualty companies' main efforts to obtain group sales will be made through their present agents, to whom they are offering special training. They expect to have to furnish a minimum of help from the home office.

The life companies are taking agents who have shown an interest in group sales and giving them training on TDB. One company establishes the agent in its service department where he receives training and administrative work on existing group accounts. From this spot he is promoted to the group sales department where further training in group sales is given him. Following this he is assigned to a field office and there does TDB along with other group.

Life Company Procedure

A training technique being used is the agency meeting at which a man who has specialized in group disability benefits outlines the solicitation, presentation, and follow-up procedure. Some of these specialists have studied the operation of the California law there.

Two day classes in selected agencies are also being experimented with as a method of training by one life company. Large numbers of applications already are being filed with the unemployment compensation commission, for action after the regulations are issued. Assn. of Casualty & Surety Companies, American Life Convention, American Mutual Alliance, Bureau of A. & H. Under-

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Review 25 Year Achievements at L.O.M.A. Annual

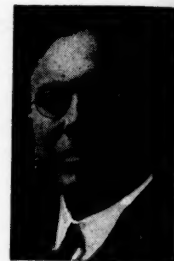
Trace Leadership In Cooperative Research, Employee Education

Reviewing the 25-year history of the Life Office Management Assn. at its annual conference

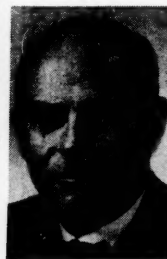
in Chicago, one of the association's founders, A. A. Rydgren, president of the Continental American Life, declared that L.O.M.A. has quickened progress, multiplied dissemination and adoption of new ideas, stimulated and directed research and maintained much needed educational courses for non-technical salaried employees.

L.O.M.A. has filled a gaping void that had existed in the life insurance industry, Mr. Rydgren said. The past quarter century has been a period of progress in life office management and the association has made a major contribution toward that achievement.

Since the organization of L.O.M.A., Mr. Rydgren said 898 papers, addresses, research reports and other material have been produced. "Association work has redounded to the advantage of member companies not only in more information and better training," Mr. Rydgren declared, "but in the broader develop-



A. A. Rydgren



H. H. Allen



R. C. Kneil

ment of some hundreds of junior executives, many of whom are today senior officers of their respective companies. These activities have provided a much needed antidote for the tendency toward in-breeding characteristic of a highly specialized business such as ours and, on the positive side, have stimulated these several hundred participants to a broader and deeper vision of the possibilities of improving life office management."

Says Research Little Heralded

The association's president, R. C. Kneil, vice-president of Reliance Life, termed it surprising in a business as well-known and as competitive as life insurance, how little the public knows of the extent of cooperative research. There are many areas of study that all life insurance companies need to uncover and chart, Mr. Kneil said. "If in these areas each company were to try to carry out the necessary research on an individual basis, there would be not only a vast duplication of effort and cost but a struggle to hire and monopolize the talents of the best men in each special field of research. Cooperative research in the life insurance business means that the best talents of each company are available in solving prob-

(CONTINUED ON PAGE 24)



Congratulations TO JUL B. BAUMANN

To Jul B. Baumann, president of the National Association of Life Underwriters, Commonwealth extends its sincere congratulations on a job well done. Mr. Baumann's administration has been one of constructive accomplishment.

He has proved himself a capable leader, a clear thinker and a straight shooter. During the past year, the National Association, under the direction of Jul Baumann and his fellow officers, has forged steadily ahead making an ever more significant contribution to the institution of which it is such an important part.

Insurance in Force — July 31, 1948 — \$370,353,111

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Warns Death Toll Cut Might Ruin Uninsured Pensions

Ostheimer, MDRT Speaker, Also Scores Agents Who Advise Such Plans

FRENCH LICK, IND.—Citing the tremendous advances made by medical science in the past decade and their probable continuance in the future on the longevity of both industrial and white collar annuitants, A. J. Ostheimer, 3rd, Northwestern Mutual, Philadelphia, warned that a sharp lowering of mortality rates "might prove disastrous to an uninsured pension plan." In addressing the Million Dollar Round Table he compared various annuity mortality tables in a comprehensive analysis of uninsured and insured pension plans and pointed out that the largest longevity gains among annuitants have been in the group over 70 years of age. Of each 100,000 men studied in the various annuity tables from age 25 on, 16,838 more survived to age 70 under the 1937 standard annuity table, now generally used, than in 1898, when the McClin-tock annuity table was compiled, according to Mr. Ostheimer. At age 40 the increase in surviving annuitants over 1898 is 8,952; at 50 it is 13,314, while at 60 the gain is 16,017.

A. J. Ostheimer, III

"What the uninsured plan may have to fear most from the mortality standpoint is not the accidental collection of an unduly large proportion of long-lived annuitants but the delayed incidence of a few years of intensive research in the field of geriatrics," said Mr. Ostheimer. "In dealing with a mortality table for a pension plan, one must realize that it is simply a means of prophesying the average age at death for a long time in the future and that medical science may now be starting to produce definite results in the pensioner age group. . . .

Danger of Delayed Effect

"Whereas a sharp lowering of mortality rates might prove disastrous to an uninsured plan, it would result in insurance companies experiencing gains on life insurance as an offset to any severe losses on annuities."

Mr. Ostheimer severely criticized some of the independent actuaries and consultants who, he said, "seem to be making wilder and wilder claims" as to the merits of uninsured plans and the savings which employers can gain through their use. He also accused representatives of trust companies of being "reckless" in this respect.

Scores Agents Who Have "Strayed"

"Indeed," he added, "there are some life underwriters who have strayed from faith in the insurance institution. I personally object—and very strongly indeed to the fact that our life insurance companies continue under contract agents who not only oppose insured pension plans but who, in voicing their opposition thereto, disparage the institution of life insurance. I believe that the life insurance companies should take or sponsor direct action to offset the propaganda being spread by the exponents of uninsured plans which is inimical to the life insurance industry as a whole."

Pointing out that in an insured plan the investment problem is removed en-

Shepherd Eyes Problems of Revised Life Blank

NEW YORK—One of the significant features of the revised form of annual statement for life companies is that as printed it runs 43 pages plus some 12 pages of instructions, compared with approximately 35 pages for the form now in use. C. O. Shepherd, actuary of Travelers, said in his discussion of the form at a meeting of the Actuaries Club of New York, junior branch. Mr. Shepherd is a member of the joint committee on blanks of the Life Insurance Assn. of America and the American Life Convention.

Though the committee would like a shorter form, the matter of length was subordinate to the desire to obtain the best form possible, he said. Despite its length, it is doubtful if the new form would require any more time to complete than the one now in use. Where material has been added it is believed that it provides valuable information and greater convenience.

Form Up to Commissioners

The problem now is in the hands of the commissioners, he commented, and specifically the blanks committee. The revised statement form is not a partisan company product. The companies have lived too long under supervision, have been too intimately acquainted with the operations of insurance departments not to realize that if a statement is not good for supervisory purposes, it is not good—period. There has never been a time when life companies had less to conceal, he declared, when they better realized the wisdom of full disclosure, or when each company was more ready to learn what it could from the operations of its competitors.

The commissioners' blanks committee

is seriously handicapped in dealing with a problem of this character, Mr. Shepherd believes, because it is large, members are widely located, and they operate under pressures and limitations which make it practically impossible for them to get together often enough or long enough.

Some states have expressed opposition to the companies' proposal of fundamental changes. It will be difficult to effect a major reform in the life statement in the face of a vigorous opposition from even a small minority, for uniformity in statement forms in the 48 states is almost indispensable regardless of the price which has to be paid.

It is characteristic of the work of a committee of state representatives in such a situation as this that differences tend to be reconciled by means of additions to and complexities in the product. One department hesitates to offer strong opposition to an additional requirement urged by another department. This is unfortunate, because simplicity is one of the most desirable attributes in a financial statement.

Only time will tell what can be accomplished, but the life companies, which have been well informed of their committee's work, are ready and willing to do their part in bringing out a modern and effective statement form, he said.

One step which would help clear the air for a rational discussion of statement forms would be agreement regarding the subjects and questions which might be left for the examination report and those on which an annual report by the company is desirable.

Mr. Shepherd sketched the history of

(CONTINUED ON PAGE 20)

August Total Sales Show Increase of 6%

Ordinary Is Up 2%, Industrial 3% Higher and Group Soars 32%

Life insurance sales in August showed an increase of 6% over the corresponding month of last year, according to L.I.A.M.A. Total sales in August were \$1,707,401,000 compared with \$1,616,330,000 in August of last year.

Ordinary life sales were \$1,125,117,000, up 2%.

Industrial amounted to \$336,009,000, an increase of 3%.

Group was \$246,275,000, an increase of 32%.

In the first eight months total sales were \$14,305,416,000, a negligible increase over the first eight months of 1947. Ordinary sales accounted for \$9,725,350,000, slightly over last year.

Industrial represented \$2,793,637,000, a slight increase, while group amounted to \$1,786,429,000, an increase of 2%.

Should Diversify Influence Centers

G. Nolan Bearden, New England Mutual, Los Angeles, told the members

of the Million Dollar Round Table meeting at French Lick, Ind., that the agent should be sure that his centers of influence are in diversified fields. To devote exclusive attention to one center or type of prospect, is risky business, because of economic changes.

Mr. Bearden attributes a good portion of his substantial production to centers of influence. From one man he has traced 10 cases for \$600,000 in business insurance, 23 cases involving over \$1 million in estate planning and tax cases, and about \$1,200,000 in four pension cases. This man was a lawyer, but the speaker also told of a dentist and accountant who have been similarly valuable to him. He termed accountants, lawyers, physicians and senior sales executives as the best centers of influence. He said that borrowing prestige from a third party enables the agent to contact prospects he has never seen before. He cautioned that the only way for the agent to get the wholehearted cooperation of anyone to assist in making sales, is to make that center regard the agent and his service as so outstanding that he will feel obligated to see that his friends take advantage of it.

To Form "Board of Directors"

Mr. Bearden told of a unique plan which he will put into effect shortly. He is inviting his present key centers of influence to a dinner at his country club along with some of his key policyholders who may be expected to develop into active centers. He intends to designate the group as his board of directors, to reward those who have helped him and to sustain their interest in him, and to get those men who have not been so active in his cause over on his side.



G. N. Bearden

Pennsylvania Week

In the State of Pennsylvania, Pennsylvania Week is being celebrated the week of September 27.

Pennsylvania is the nation's leader in fifty important industries with a world-wide industrial fame because of steel, coal, gas and oil but with highly diversified manufacturing in other lines, notably clothing and foodstuffs.

Pennsylvania has one-tenth of all the manufacturing, employment and payrolls of all the states in the Union. Skilled labor is plentiful and the State has an abundance of raw material resources. It has more farms than all England. Pennsylvania alone is a bigger market than some whole nations.

The intention of the state-wide promotion of Pennsylvania Week is to acquaint its citizens with the power and strength of a great state and to invite others to locate in Pennsylvania. But an important part of the campaign is to encourage Pennsylvanians to make theirs better communities to live in.

• • •

THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Presents Plan for Tackling Spread of Collectivistic Idea

Faulkner Urges Specific Steps in "Personal Insurance" Field

A vigorous program to combat the spread of collectivism, particularly as it is influencing the life and accident and health business, was expounded before the International Claim Assn. at its annual convention at Wernersville, Pa. by E. J. Faulkner, president of Woodmen Accident and Woodmen Central Life.



E. J. Faulkner

He recommended full co-operation with state supervisory officials who are genuinely interested in a continuation of private enterprise in insurance. The business should provide such men with the kind of complete information that will give them a broad understanding of the industry's problems. Much of their effectiveness depends on cooperation of the industry because many commissioners enter on relatively brief tenures of office without appreciable experience in insurance. Insurers also should aid in securing sufficient appropriations so that departments may acquire, train and retain adequate staffs of qualified personnel.

Should Help Police Business

The industry should aid public authorities, state and national, in policing the business, Mr. Faulkner declared. Most laws are made to restrain the occasional miscreant. Personal insurance, though it has made a fine record, has suffered at the hands of a few carriers whose managements have put personal gain ahead of public service. The business cannot tolerate them. Most commissioners can stop practices inimical to the insuring public. The industry can help in seeing that remedial action is taken.

Establishment of the principle of reciprocity among states in the acceptance and approval of policy forms also was urged by Mr. Faulkner. In both A. & H. and life insurance the industry is burdened unnecessarily by vexatious

and costly minor differences from state to state in what is required or prohibited in the policy form. In spite of the standard provisions laws, inconsequential variations have arisen, perpetuated by the requirement of verbatim reproduction of the statutory language. This is aggravated by divergent and changing interpretations of statutes by departments. Reciprocity on policy form approval is logical, he believes, since most states accord full recognition to the executive, administrative and judicial actions of other state governments. Present petty differences may lead to federal action to remove a barrier to free flow of interstate commerce, he suggested.

There should be a correction of the artificial division of personal insurance between life and casualty, he argued. This statutory distinction violates the kinship of life and A. & H., tends to confuse thinking of supervisory officials, the public and even the business itself. He recommended A. & H. be withdrawn from the category of casualty and, with life insurance, be designated as "personal insurance." This would lead to substantial operating economies for insurers writing both lines and facilitate extension of comprehensive coverage to more insured.

Aid All Voluntary Plans

The A. & H. industry should extend help to all voluntary types of risk bearer that seek to provide security within the free enterprise system, including Blue Cross and state medical care plans, even though they are competitive, he urged. They should be given the benefit of the industry's experience and advice on maintaining adequate premiums and reserves, securing proper supervision and paying equitable taxes.

The A. & H. industry should take the initiative in advocating nationally a constructive public health program—expansion of the sanitation and public health measures that government alone can implement, greater study for the more effective distribution of medical personnel, hospital and rural health facilities, and intensification and coordination of research on various diseases. The Brookings Institution report recently prepared for the Senate labor and public health committee should disabuse the uninformed of the false notion that a system of compulsory insurance can improve the health level of the country, he said. Instead of simply opposing enactment of such coverage, the industry should press vigorously for more and better sanitation and research.

The quality of protection should be improved and the cost reduced, he said. The industry has been attacked at times because of high costs of distribution. Even though it compares favorably with other businesses, there is still much to be learned from market analysis and in the field of selection, training and supervision of agents. Another criticism has been of underwriting tech-

Employees Offer Prudential 40,000 Suggestions

At the Life Office Management Assn. meeting in Chicago, Leslie I. Ferguson, assistant director of office services for Prudential, said that in 34 years, the company has received 40,000 employee suggestions, ranging from the advisability of serving flat meat balls in its cafeteria to suggestions which have saved the company and policyholders large sums of money.

To keep track of these suggestions, the company maintains a staff of 22 full-time people who keep files of all 40,000 suggestions. In addition, the staff also keeps individual ledger records of each suggestion under consideration, classification index files by both subject and form number, individual card records for each employee who has submitted suggestions and a punched card file that is used for statistical purposes.

Money Talks

In order for the company's system to operate successfully, Mr. Ferguson declared it necessary to adopt certain definite policies to protect the equity of the person suggesting the idea, to develop efficient and quick procedures in passing upon the merits of an idea, and then to promote the system program and see that it obtains adequate publicity. The award of a large sum of money to an employee making a wise suggestion is a particularly effective way of giving the system a "shot in the arm" and encouraging others to compete.

If a suggestion contains an original idea, Mr. Ferguson said, the suggestor's equity in his idea is protected for a minimum of three years after date of receipt. Irrespective of the three-year period, however, the equity is always protected until a decision is reached on the proposal and in the event of disapproval, for one additional year. A suggestion regarding company policy will not be approved unless the idea is adopted as the direct result of considering the suggestion, even though substantially the same idea may later be adopted as the result of independent company consideration.

niques as being too selective. Though group coverage provides a way of protecting the individually uninsurable risk, there is still room for progress in underwriting the impaired applicant.

He urged the training of personnel to assume responsibilities of top management of the insurance companies, and the development of such personnel through the distribution of authority. There should be an organized program of employee education firmly supported

(CONTINUED ON PAGE 24)

Kollenberg Against Limiting Approach To Business Cover

Agents interested in selling business life insurance were warned not to limit themselves to just this one form in a talk that was given before the Million Dollar Round Table annual meeting at French Lick, Ind., by A. H. Kollenberg, Mutual Benefit Life, Grand Rapids.



A. H. Kollenberg

Business insurance may be the opening wedge or the closing phase of a prospect's problem, but when an agent is through all of the prospect's house should be in order, the speaker declared. "I want to take care of every life insurance need that may arise in the affairs of my clients and prospects, and thus avoid the approach of a technical expert," he said.

In order to write business insurance Mr. Kollenberg said the agent needs a thorough knowledge of the various contracts, a familiarity with the company practices, and a familiarity with the various forms of business enterprise. The agent should be able to interpret a financial statement, have some knowledge of accounting, have a speaking acquaintance with modern taxes and have a knowledge of wills and trusts and the law pertaining to the descent and distribution of property in his state.

Although all of these knowledges are useful, it is possible for a salesman to be thoroughly grounded and yet fail to make sales because he doesn't know how to apply his knowledge. Many salesmen go out to talk business insurance determined to stick to the subject, come what may. Nothing can swerve them and yet this misses the primary objective of the interview, which is to discover just what the prospect's problem is, he declared.

Give men sound reasons and they will buy life insurance. The place to find these reasons is in the prospect's mind, in the words that drop unguardedly from his lips and even from the objections he raises. These fragmentary bits of information are saturated with sales possibilities; the salesman must learn how to translate and interpret them into effective appeals, according to the speaker.

Vote Capital Increase

Austin Life of Austin, Tex., has voted to increase the capital from \$50,000 to \$100,000.

THIS COULD BE Your STORY....



GEORGE D. KELLOGG, WATSONVILLE, CALIF., INJURED HIS SPINE ON JUNE 24, 1922... JUST 15 DAYS AFTER HE INSURED WITH MUTUAL OF OMAHA



IT WAS YOUR LUCKY DAY GEORGE, WHEN YOU INSURED WITH MUTUAL OF OMAHA...

YES-AND THESE MONTHLY INCOME CHECKS NOW TOTAL \$31,928.00

Mutual of Omaha

More than 1,900,000 Policyholders

More than \$235,000,000.00 paid

in benefits



THE WORLD'S LARGEST EXCLUSIVE HEALTH AND ACCIDENT COMPANY

Give Detailed Program for A.L.C. Gathering

Advance registrations for the annual meeting of American Life Convention indicate that the Edgewater Beach Hotel, Chicago, during the week of Oct. 4 will be jammed with the executive officers of most of the companies of the U. S. and Canada.

Just prior to the dinner dance President William M. Dewey, of Edgewater Beach Hotel, will entertain at a cocktail party.

In addition to program details previously announced, Richard B. Evans, president of Colonial Life and chairman of the combination companies section, has completed arrangements for a dinner meeting of the section Monday evening. Valentine Howell, vice-president and actuary Prudential, will be the speaker.

Ladies will be entertained at luncheon at the Kungsholm restaurant and at a theater matinee.

The detailed program for the week:

Monday, Oct. 4

Morning:
Legal Section—Chairman, B. M. Anderson, Connecticut General. Chairman's address.
"Port Liability for Negligent Delay in Acting on Applications," Abram T. Collier, John Hancock Mutual.
"Some Phases of Group Life Insurance Law," Dwight Brooke, Bankers Life of Des Moines.
Financial Section—Chairman, David W. Gordon, Monarch Life of Springfield. Chairman's remarks.
"The Canadian Economy," W. T. G. Hackett, Bank of Montreal.
"The International Bank, Its Functions and Lending Policies," Robert L. Garner, vice president International Bank.
"Equity Housing," Frederick H. Allen, Harrison, Ballard & Allen, New York.
Luncheon, B. M. Anderson presiding.
"The Constitution and the Courts of Russia—Are They Comparable to Ours?" Robert G. Simmons, chief justice supreme court of Nebraska.

Afternoon:
Legal Section.
"Litigate This Case," A. N. Johnson, North American Life & Casualty.
"Effect of Failure of Insured to Read His Policy," Frank E. Spain, Liberty National Life.
Financial Section.
"Private Placements," Sherwin C. Badger, New England Mutual.
"The Southern Pacific System—Its Relation to the Industrial Development of the West," D. J. Russell, Southern Pacific Co., San Francisco.
"Railroads—Their Status in 1929, Facing the Depression of the Early Thirties, and Their Status in 1948, Facing—?" W. Wendell Reuss, McLaughlin, Reuss & Co., New York.
Business session, election of officers.
Evening:
Combination Companies Section dinner—Chairman Richard B. Evans. Address, Valentine Howell, Prudential.

Tuesday, Oct. 5

Morning:
Legal Section.
"What Conditions May an Insurer Impose Upon Reinstatement of a Life Policy," Powell E. Smith, Occidental Life.
"Review of 1948 Life Insurance Legislation and Litigation," Ralph H. Kastner, American Life Convention.
Business session.
Financial Section.
Report on the work of the joint investment research committee—its plans and potentialities, James J. O'Leary, Joint Investment Research Committee.
"Methods Used by Life Insurance Companies in the Acquisition and Disposition of Securities—An Overall Study with Certain Conclusions," Frank J. Travers, American United Life.
"The Stock Market as a Guide in Managing Life Insurance Company Portfolios," Thomas W. Phelps, Francis I. duPont & Co., New York.
Luncheon—David W. Gordon presiding.
"Americans Plan for the Future," Raymond E. Baldwin, U. S. Senator from Connecticut.
Afternoon:
Agency Section—Chairman, C. H. Heyl, Bankers Life of Nebraska.
"What Training Really Means and How to Get the Most Out of It," J. Harry Wood, Paul Revere Life.
"Agents' Survival—Today's Challenge to Management," J. A. McAllister, Sun Life of Canada.
"What Does Your Agency Plant Cost?" Robert E. Murphy, California-Western States Life.
"Social Security Status of Agents—A Decision to be Made!," Victor A. Lutnicki, John Hancock Mutual.
"Changing Patterns in Agency Leadership," John A. Stevenson, Penn Mutual Life.

Wednesday, Oct. 6

Morning:
General Session—Presiding, R. B. Richardson, president American Life Convention and president Western Life. President's address.
Report of Executive Vice-president Robert L. Hogg.
"Building the Second Story," Clifford H. Orr, president National Assn. Life Underwriters.
"How the National Assn. of Insurance Commissioners May Assist in Bringing About Fair and Uniform Regulation of the Insurance Business," J. Edwin Larson, president N.A.I.C.
Noon:
Luncheon—R. B. Richardson, presiding.
"Human Resources," Rev. G. G. D. Kilpatrick, principal United Theological College, Montreal.
Afternoon:
General Session.
"How Far Finance America?" O. J. Lacy, California-Western States Life.
"Apathetic Trusteeship," William C. Mullendore, president Southern California Edison Co.
Evening:
Executive session.
Report of the actuary, committee reports, new business, election of officers.

Thursday, Oct. 7

Morning:
General session.
"The Third Hundred Billion," Wendell

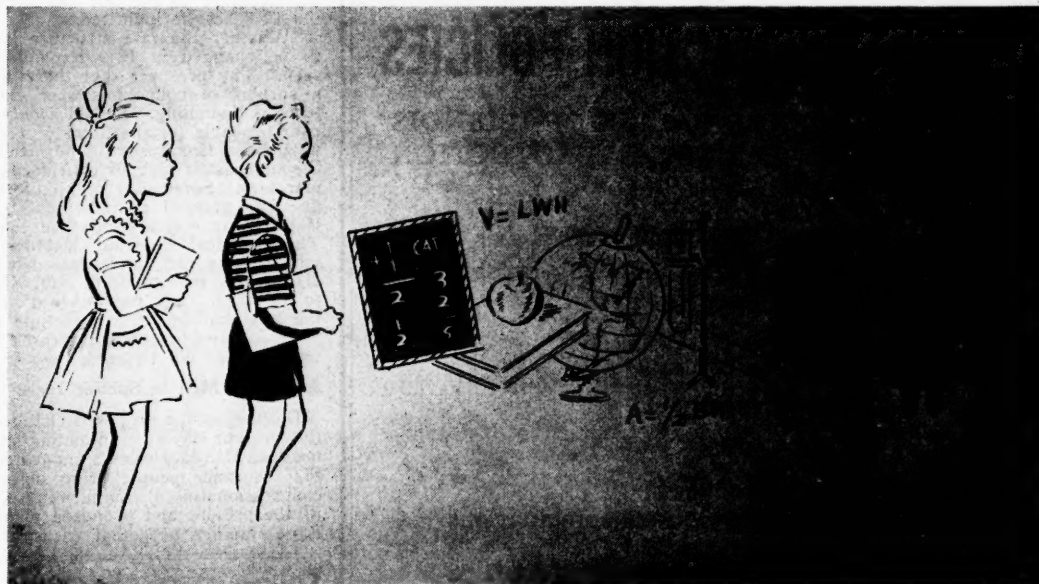


The 16 graduates of the 1947-48 Provident Life & Accident home office schools who attended the recent convention at Chattanooga: Front row, left to right: J. P. Hayek, Miami; E. C. Burrus, Miami; J. Keels Maxwell, Columbia, S. C.; Morton Riddle, III, Leesburg, Va.; J. C. Tschudi, Dubuque; C. J. Lange, Dubuque; Frank Bowman, Chattanooga, and P. W. Meyers, Jr., Fort Lauderdale. Back row, left to right: Paul Oakley, Lenoir, N. C.; Jack DuPree, Greenville, S. C.; E. Floyd DuPree, Greenville; J. O. Graham, Memphis; R. H. Dowd, Miami; Hugh B. Bright, Nashville; K. W. Allen, Lenoir, N. C., and C. L. Straker, Fort Lauderdale.

F. Hanselman, Union Central Life.
"More and More from Less and Less," Harold Vagtborg, Southwest Research Institute, San Antonio.
"Some Current Economic Fallacies," A. Lee M. Wiggins, chairman Atlantic Coast Line Railroad and Louisville & Nashville Railroad.
Luncheon—R. B. Richardson presiding.
"How to Face the Challenge to Freedom," Bill Cunningham, Boston "Herald."
Afternoon:
General session.
"Service Is My Business," S. Kendrick Guernsey, Gulf Life.

Address, Alexander Wiley, U. S. Senator from Wisconsin.
Motion for adjournment, I. M. Hamilton, one of the founders of A.L.C., chairman of Federal Life.
Evening:
Cocktail party, courtesy of William M. Dewey, president Edgewater Beach Hotel.
Annual dinner dance.

United States Life was elected a member of the Bureau of Accident and Health Underwriters.



A LONG WAY TO GO...

And much of their happiness and success in life depends on their completing their journey along the road to knowledge.

These children need not meet with a detour, for The Prudential's liberal "school period" plans can—

1. Guarantee an income to the family during the school period years if the breadwinner dies.
2. Provide funds to pay the extra expenses required for a college education.

With children back in school, now is a good time to talk with parents about Prudential "school period" plans.

When you do, you'll find why Prudential representatives, and their clients, belong to the school of thought that—

THE PRUDENTIAL'S EDUCATION PLANS ARE AT THE HEAD OF THE CLASS



Todd Says Advanced Agent Must Discard Orthodox Thinking

John O. Todd, Northwestern Mutual, Chicago, told the members of the Million Dollar Round Table meeting at French Lick, Ind., that advanced selling calls for a PDQ formula, probing, disturbing and quitting orthodox thinking. The ordinary agent is trained in thinking so fundamental that it will fit 75% of the circumstances he meets and he leaves the other 25% for others. This is where the advanced agent comes in. Such men have little use for orthodox life insurance thinking, Mr. Todd declared. The big cases are found among people of substantial means who have heard and seen all of the orthodox ideas. If they are to become interested,



John O. Todd

someone must bring them a new idea. Whether it's estate planning, pension planning, business insurance or any other field, Mr. Todd said that the first step is to probe deeply and searchingly for every last detail of information about the prospect and his problems. He spoke of the use of the questionnaire for this purpose to which if the prospect answers "yes," he admits the existence of a problem. This not only accelerates the probe, but creates a disturbance of mind in the prospect which will cause him to recognize the problem.

Mr. Todd characterized the advanced life insurance agent as the only professional adviser whose function it is to disturb his clients to the point where he will recognize the existence of a problem.

The successful advanced salesman recognizes that there is a solution to every financial problem that is better in life insurance than any other way. When a man is enough disturbed about his problem he will hound the deep-thinking agent for a solution, he said.

The first fall meeting of Utah A. & H. Club was held at Salt Lake City, Sept. 13. F. Edward Walker and H. W. Carter, delegates to the national convention in June, reviewed that meeting.

Tax Revisions and Possible Increases Seen in 1949

Numerous technical provisions of federal tax law call for new legislation, Edward H. McDermott, Chicago attorney, told the annual meeting of the Million Dollar Round Table at French Lick, Ind. Whether the overall rate structure is to be changed in 1949 remains to be seen.

Mr. McDermott said factors affecting the 1949 tax rate are the possibility of a federal deficit, the political composition of Congress and the formulation of an adequate policy for dealing with federal indebtedness. Many believe that despite its importance this problem may not be able to command the attention it deserves, he commented.

Numerous provisions affecting income, estate and gift taxes urgently require overhauling and it has been several years since Congress has brought these provisions of the internal revenue code up to date. That attention will be devoted to them in the 1949 legislation seems certain, he indicated.

The attorney reported that plans are already under way for a new federal revenue bill. Current discussions are colored by the political issues of the forthcoming elections, however, and it is premature to forecast the details of the 1949 act, he indicated.

"Whether the rate structure itself is to be changed in 1949 remains to be seen. The prospect that there will be a surplus of collections over expenditures is dwindling. Should a deficit appear probable for the fiscal year ending next June, Congress will be faced with the unpleasant task of considering rate increases. Some part or all of the reductions granted to individuals at the last regular session might be canceled. The practical question whether individual rates can be increased without also raising the corporate rate will have to be faced. The possibility of accepting a federal deficit in peacetime as the price for avoiding rate increases seems unthinkable," he declared.

Asks Life Men to Submit Ideas

Discussing the proposed change from the present 3% rule in taxing annuity income, Mr. McDermott suggested that life insurance people bring before the congressional fiscal committees the effect of the present and proposed plans in a large number of actual cases or even

suggest a new plan that would be even more equitable to a still larger number of people than either the present or proposed method.

As to capital gains tax treatment for non-trusted pension plans in cases where a man leaves employment without retiring and receives in a lump sum the company's contribution, Mr. McDermott said this seemed fair for both trusted plans, which are now accorded capital gains treatment in such situations, and for non-trusted plans, which are not. He said it seemed only sensible to grant as favorable treatment to the man who has invested his life's work in the service of an employer as is accorded to a mere investment in property.

He also favored correction of the present provision that taxes as income the entire present value of the amount that rests under a retirement plan at the time of vesting, where the recipient is not an employee.

Touching on the provision that taxes as income the difference between the consideration and proceeds where a policy is acquired in return for a valuable consideration, Mr. McDermott said that probably the best answer would be an appropriate set of exceptions rather than a blanket repeal of the provision. He said that life insurance men would be doing a service to suggest such exceptions to the revenue bill's drafters.



PERSONALITY IS AN ASSET TO A SALESMAN. NO DOUBT ABOUT IT! BUT THE LIFE INSURANCE SALES FIELD IS LOADED WITH SALES PERSONALITIES. SO WHEN THESE PERSONALITIES GO OUT AFTER BUSINESS THEY FIND IT ADVISABLE TO CARRY WITH THEM THE BEST AVAILABLE SALES TOOLS.

And speaking of sales tools, read what Harry E. Gurian, C.L.U., in Portland, Oregon, has to say about the recently published R & R Digest of the 1948 Revenue Act:

"This is the clearest of all the digests I have seen in connection with the 1948 law. It has answered for me beyond question of doubt the matter of power of appointment required for a trust to qualify for the marital deduction. It was a point about which I was at variance with an outstanding tax attorney as well as with one of the top accountants here. When I showed the answer to this one question from your digest to the accountant, who today became a policyholder of mine, he asked if I could get him a copy of your book that his firm could use for reference. The senior member of their firm also would like to have a copy."

We believe this new R & R Digest is one of the best sales tools available for the Life Underwriter—and yet it sells for only 75c.

WHEN YOU RECEIVE YOUR COPY OF IT, NOTE PARTICULARLY THE SPECIAL SALES OPPORTUNITIES DISCUSSION WHICH HIGHLIGHTS THE NEW BUSINESS OPENINGS CREATED BY THE REVENUE ACT OF 1948.



PAUL SPEICHER
Managing Editor

THE INSURANCE RESEARCH & REVIEW SERVICE INDIANAPOLIS

MULTIPLE PROTECTION POLICIES

March, 1940, the CENTRAL LIFE OF ILLINOIS first introduced its TRIPLE PROTECTION POLICY.*

Since that time the CENTRAL LIFE has made available to its field men the following outstanding Multiple Protection Plans . . .

- 10 Year Double Protection
- 20 Year Double Protection
- Double Protection to Age 65
- Triple Protection to Age 60
- Home Owners Protection—9 combinations

AND NOW--THE MORTGAGE PROTECTOR

The lowest cost Mortgage Insurance ever introduced

Write for details—

CENTRAL LIFE Insurance Company OF ILLINOIS

Alfred Mac Arthur, President

211 W. Wacker Drive Founded 1905 Chicago 6, Illinois

* So far as we can ascertain, this was the first TRIPLE PROTECTION POLICY issued by any company.

Morton Agency, St. Louis, Observes 100th Anniversary

The Stratford Lee Morton agency of Connecticut Mutual Life at St. Louis, oldest life insurance agency west of the Mississippi celebrated its 100th anniversary with a dinner honoring Mr. Morton, which also commemorated his 40th year with the company.

Connecticut Mutual was host at the dinner, which was attended by about 100 company officers and out-of-town general agents. Speakers included Holgar J. Johnson, president of Institute of Life Insurance and Vincent B. Coffin, vice-president of Connecticut Mutual. The agency was established in 1848 by the late Henry Staggs, who remained as its head through the civil war period.

Mr. Morton in his response recalled how in 1908 as a 20-year-old bank clerk he responded to a Connecticut Mutual Life want "ad" seeking "two energetic and ambitious solicitors in the St. Louis agency." He got one of the jobs and later became the company's first million dollar producer and in 1912 was made its general agent there.

In celebration of the agency's anniversary, Mr. Morton arranged an exhibit of articles that were in use in St. Louis 100 years ago, including bank notes, kitchen utensils, covered wagon materials and other items which he had collected through the years.

Claim Men Hold Annual Gathering

**Faulkner, McLain,
Trout and Filson
on Program**

One of its most successful annual meetings was concluded this week by International Claim Assn. at Wernersville, Pa. More than 300 members and their wives attended to hear and participate in a top-notch program. There was an agreeable division of activity between insurance discussions and golf and other sports which fitted well in the summer resort atmosphere of Galen Hall.

The talk by E. J. Faulkner, president of Woodmen Accident, outlining a program for offsetting the rising influence

the specialist's own work in perspective and helps many of them advance from specialists to more general executive responsibilities.

In his own company, Mr. McLain commented, there is a special concern with maintenance of the closest possible relationship between distribution, production and actuarial planning. Thus Guardian recently appointed a second vice-president, responsible directly to the vice-president, to work on integration of sales policy, underwriting policy, new business planning and the establishment and checking of performance standards. He works directly with officers responsible for these divisions and departments on ways and means of achieving the company's over-all objectives.

Senior Officer Is Controller

As a further coordinating step, Guardian has one of its senior officers a controller, responsible to the vice-president for planning and auditing of methods and procedures and those aspects of personnel having to do with job requirements and evaluation.

In discussing medical and claim department teamwork and the mutual benefits to be derived, Dr. R. M. Filson, associate medical director of Travelers, pointed out that in both underwriting

Commonwealth Announces Many Industrial Shifts

Commonwealth Life's industrial department has made several transfers and promotions, and established two new districts. Howard R. Reynolds, manager at Fort Wayne, Ind., has been transferred to manager of the Bluegrass district. A graduate of DePauw, Mr. Reynolds joined Commonwealth as an agent at Fort Wayne. He served as assistant manager, home office field representative and field supervisor in the industrial agency department. He entered the army in 1943 and on his return in 1946 was placed in charge at Fort Wayne.

Henry Beaty, assistant manager at Fort Wayne, became manager there.

Mr. Beaty started as an industrial agent there in 1935.

A new district has been set up at Somerset, Ky., with Glen Weikirk as manager. He joined Commonwealth in 1940 as an agent. Since his return from army service has been assistant manager at Somerset.

The other new district is at Frankfort, Ky., headed by L. K. Locke, formerly manager of the Campbellsville district before it was merged with Somerset. He has been with Commonwealth since 1944.

G. V. Williamson is advanced to manager of the Big Sandy district. He has been assistant manager there.

New assistant managers include O. S. Tevis, Winchester; R. C. Murrell, Covington, Ky.; G. M. Asher, Cumberland Valley; W. C. Miller, Fort Wayne, and G. F. Davis, Covington.

J. C. Gamble has been promoted to field supervisor in region I, formerly an agent at Johnson City; E. H. Turner in region II, and W. S. Greenup in region III.

Completes 815 Weeks C.W.P.

John M. Salladay, New England Mutual, Portsmouth, O., has completed 815 weeks of consecutive weekly production. He is a member of the Portsmouth city council.



W. E. Trout



W. N. Hutchison

of collectivism in the insurance industry, impressed his audience. It is treated elsewhere in this issue.

Commissioner Malone of Pennsylvania discussed "Public Relations in the Field of Life Insurance," and another state official, Lt.-Gov. Strickler, gave the address of welcome.

Hutchison New President

William N. Hutchison, vice-chairman of the committee on death benefits of New York Life, was advanced to the presidency to succeed Walter E. Trout, supervisor of claims of Penn Mutual Life. Mr. Hutchison has been with New York Life more than 25 years, in his present post since 1945. From 1942 to 1945 he was in charge of the war service bureau of his company to facilitate and expedite settlement of war claims. He has served as secretary, vice-chairman and chairman of the Eastern Life Claims Conference and has been active on committees of the International Claim Assn., which he has served since 1946 as chairman of the executive committee.

The organization now has a membership of more than 225 insurers, Mr. Trout reported in his presidential address. Recalling that the essay contests conducted by the association a few years ago were effective in stimulating ideas among the younger men in the claim departments, he recommended the undertaking of a similarly worthwhile project. His suggestion was that the association sponsor a scholarship in an insurance school such as the University of Pennsylvania; maintenance of a student preparing for college who desires to become a doctor or an attorney, or possibly the training of a nurse.

Constitution of Company

The constitution of a company organization was analyzed in detail by James A. McLain, president of Guardian Life. Although of necessity many executives in a life company need to be specialists to carry on their own end of the business—claim men, agency men, actuaries, underwriters, lawyers, doctors, investment man and others—yet there is also a large staff of executives, men who were specialists but who went on to view the business as a whole and to direct its many phases, he pointed out. Thus an understanding of the entire structure of life insurance places

Complete Group Coverage

The Lincoln National representative can offer his Group insurance prospects a *complete* line of employer-employee benefit programs. He stands ready to meet the prospect's needs — whether the situation calls for Life coverage, accidental death and dismemberment, accident and sickness, hospital expense, surgical expense, employee insurance, or retirement plans.

This complete Group insurance service provides another reason for our proud claim that LNL is geared to help its field men.



Its Name Indicates Its Character

**The
LINCOLN NATIONAL
LIFE INSURANCE COMPANY**

Fort Wayne 1, Indiana

Why IT PAYS TO REPRESENT CROWN LIFE

Crown Life is a modern, forward-thinking company. It keeps pace with the times. It meets changing conditions promptly. Crown Life has more to offer, with policy plans and benefits "modernized" to meet today's needs.

CROWN LIFE

Established
1900

INSURANCE COMPANY

Home Office
Toronto—Canada

The Crown Life is now licensed to operate in
Alaska — California — Hawaii — Idaho —
Indiana — Louisiana — Michigan — Minne-
sota — Missouri — New Jersey — New Mex-
ico — North Dakota — Ohio — Texas —
Washington.

YOU CATCH MORE FISH IN WELL STOCKED WATERS*



*Capitol Life Agency Managers and Field Underwriters angle for business in some of the highest average income areas of the country!

*Exceptional opportunities in California, Oregon, Washington, and Idaho.

THE CAPITOL LIFE Insurance Company

CLARENCE J. DALY, Pres. HAROLD B. WENDELL, Dir. of Agencies
HOME OFFICE DENVER, COLORADO

SURVEY RESULTS REPORTED

MDRT Earnings Only 12% from Business Insurance

FRENCH LICK, IND.—The average Million Dollar Round Table member, judging from questionnaire replies received from 208 of the group's 829 members, gets only 12% of his income from business insurance, 8% from employee benefit plans, 1% from general insurance, and 1% from life insurance consulting fees and other sources. Only five of the 15 members reporting the highest earnings had any income whatever from business insurance and only four of the 15 had any income from employee benefit business.



M. M. Goldstein

The average M.D.R.T. member owns life insurance on himself, his wife and his children equivalent to nearly 3½ times his annual gross earnings. He puts about 7% of his gross income and more than 12% of his net earnings into life insurance. He devotes about eight hours a day on the average to community service, with community chest work, war bond sales, local draft boards, hospital and public health work, school and college boards, and youth agencies ranking in that order in amount of time.

The survey results were reported at the annual M.D.R.T. meeting here by Meyer M. Goldstein, general agent Connecticut Mutual, and Robert U. Redpath, Northwestern Mutual, both of New York City, co-chairmen of a committee on research appointed a year ago to find out what M.D.R.T. members are doing in their business and communities and what they think about their work.

The relatively small amount of business insurance written struck the committee as significant, Mr. Goldstein pointing out that this is "an area that

hasn't been scratched by the Million Dollar Round Table members compared to its possibilities." In connection with the fact that only four of the 15 reporting the highest earnings reported any income from employee benefit business and only 8% of the entire membership's reported income came from this source, Mr. Goldstein pointed out that "it appears that the income from this source is highly concentrated in those who have specialized."

There are more members of M.D.R.T. in their forties than there are older or younger than that bracket, the survey showed. Of those replying 35% are less than 40, 39% are in their forties, and 26% are 50 or older.

Polled on job satisfaction, 89 out of 90 members answering said they contemplated no change in their present company affiliation.

Like Their Present Niches

Asked what other job in the life insurance business they would want to have 80% said "none." The balance were about evenly divided between sales management at home office level or general administrative duties, such as vice-president.

As to their second choice of a business or profession other than life insurance selling, they preferred medicine first, law second and "selling something else" third.

Four out of five reported that they would like to have their sons embark on a life insurance career "if they are fitted for it." Of the 40-to-49 age group, 25% said their sons already had taken aptitude tests with a view to determining which career they were best suited for.

More than half reported they owned their homes. "It is clear," Mr. Goldstein said, "that outside of their homes the preponderance of their other net worth is represented by either cash value of their life insurance policies or their renewals."

Century Cake for Union Mutual Life



Halsey Davis, center, president of Portland Chamber of Commerce, presents Union Mutual Life a 100th anniversary birthday cake on behalf of its business neighbors at its centennial convention at Poland Spring, Me. Accepting for the company are President Rolland E. Irish, left, and Wadleigh B. Drummond, chairman of the board.

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Security Mutual in "Non-Can" Field

Security Mutual Life's "new look" as described at the Binghamton company's convention at Chateau Frontenac, Quebec, deals chiefly with accident and health insurance.

The company announced that it is entering the non-cancellable disability field and has generally revised its accident and health policies, resulting in lower rates in some instances and increased benefits in others.

It will offer two "non-can" policies, one a two-year coverage policy for single disabilities with five-year aggregate disability income and the other a five-year single disability coverage allowing 10 years in aggregate. These policies will be guaranteed renewable to age 60, and are participating. Dividends probably will be payable at the end of the second policy year.

The non-cancellable forms were introduced by Vice-president H. B. Wickes, who said the new policies are designed to cover long disabilities and outlined the tremendous field for this business.

The second full morning session was given over entirely to a panel discussion of "Our New Accident and Health Contracts," in which President F. D. Russell, Mr. Carson, Edward A. Hauschild, Franklin D. Scudder, Mr. Fissell and Mr. Wickes participated.

Two additional disability policies, the "security disability" and "essential disability," were announced. The latter is written only in conjunction with life insurance.

Besides revisions in rates and certain coverages, it was announced that all accident and health policies now will include the accidental bodily injury clause; no prorating of benefits following change to a more hazardous occupation; a 31-day grace period for payment of all premiums except the first; policies made incontestable as to statements in the application after they are in force three years; disability can begin as late as 30 days following accident; company permitted to cancel only at the end of the premium-paying period instead of at any time during the year.

Provisions are made for optional surgical coverage up to \$200, hospital benefits up to \$10 a day, nurse service at \$5 a day, accidental death and accident medical expense.

In hospital insurance, both for individuals and for families, six hours hospital residence will be acceptable, with "out patient" treatment up to three times the daily hospital benefit.

Burford Talks on Claims at Los Angeles Meeting

LOS ANGELES—At the first fall meeting of Los Angeles A.&H. Underwriters Assn., L. G. Burford, manager of the accident and health claims department of Continental Casualty group on the coast, talked on the claims situation. He said the common complaint about claims not being paid arises largely from the fact that the few claims where companies contest the claim or do not pay are given wide publicity, whereas the multitude of claims that are paid to satisfied policyholders or beneficiaries never get any mention. He said companies would rather pay claims instead of contesting them.

He blamed much of the difficulty over accident and health claims on faulty underwriting by producers. He said companies are increasing the liberality of their underwriting and of their settling of claims.

The claim man is hired by the companies to pay claims, not to contest them, he said. He held that the claim man really is a salesman, and that the claim department was a service department of the company. He said that underwriting and claim departments should work together.

N. E. Mutual Ready for Eastern Rally

Nearly 200 representatives of New England Mutual Life's 13 east central agencies will gather at Atlantic City,



George L. Hunt

Sept. 28-30, for three days of educational and recreational activities.

Vice-president George L. Hunt will open the convention with a report to the field force and will serve as chairman the first and last day.

Arthur W. Schmidt, field assistant; J. Hicks Baldwin, general agent at Washington; Rupert S. Deloe, Buffalo; Herman L. Filene, Bertram J. O'Keefe, Renrikas Rabinavicius, all of New York; William C. Gentry, manager of sales promotion; George W. Dunn, Philadelphia; Charles I. Lytle, Buffalo, and Merton E. Sayles, Baltimore, will take part in two panels—"Find Your Market" and "Seeing . . . Sells."

William L. Wadsworth, general agent at Buffalo and a New England Mutual man for 32 years, will be the speaker at the dinner.

The second day will be under the chairmanship of Charles F. Collins, agency secretary, and the program will be made up of Wheeler H. King, general agent at New York; Samuel S. Hall, financial vice-president; Philip C. Raye, second vice-president; John L. Stearns, second vice-president; Robert J. Lawthers, manager of benefit department; Maurice A. Longworth, underwriting secretary; Dr. Harold M. Frost, medical director; William G. Pierce, Philadelphia; John H. Brady, New York; Daniel Friedman, New York, and Lambert M. Huppeler, agency manager at New York.

The last day, which will be devoted to "alumni" of home office refresher courses, will feature a "Telephone Is a Time Saver" panel with William C. Gentry, Charles A. Koppen, New York; Henry A. Markey, Baltimore; Carl L. Russell, New York, and H. Preston Smith, Newark, as speakers.

Following a sales demonstration by Arthur W. Schmidt, Donald G. Bredberg, Buffalo; Roger W. Schmidt, New York; P. Lee Frohnappel, Buffalo; Will E. Gehman, Philadelphia; Robert N. Martin, Harrisburg; and Joseph S. Flanagan, Newark, the convention will wind up with an address by Casper W. Haines, a partner in the Philadelphia general agency, entitled "Plan for Power."

Company Must Determine Qualifications of New Man Says Oswald, Penn Mutual

The first task to accomplish in setting up an employee orientation program is to determine what the company wants its new employees to know, Walter E. Oswald, personnel director of Penn Mutual, told the Life Office Management Association conference at Chicago. Without such a program, several people tell the new worker the same things, no one at all tells him other things he should also learn.

"One of our original assumptions was that our program would have to be constantly revised, and actual practice has proved that we were correct," he said. "Our present program is the result of changes, brought about because of observations of the trainers, meetings with department office managers and supervisors, and meetings with representatives of a cross-section of members of our first training group. From the suggestions offered by each of these three sources we determined that our original method of presentation had some faults."

BUILDING

Successful

CAREERS

As liaison officer for his company, the life insurance agent fulfills a vital role in the economy of the American way of living. To individuals and families, he presents the means of establishing, early in their careers, a sound financial security that will endure for their lifetime.

The American agency system, stressing free and individual initiative, has created a personal sense of responsibility towards prospective policyowners which has resulted in this nation having the world's highest per capita ownership of life insurance.

Great Southerners, as members of this fraternity of life underwriters, have this high sense of responsibility to expertly advise and assist prospective policyowners in the realization of financial security commensurate with their ability and requirements. Great Southerners are building successful careers, not on sales alone, but on service.

GREAT SOUTHERN

Life

INSURANCE COMPANY

HOME OFFICE HOUSTON, TEXAS

Life Insurance Has Underplayed Value of Guaranteed Benefits in Group Field

If the generally accepted maxim that a group life plan should provide at least one year's salary for each employee,

there is an untapped market on existing groups equal to 50% greater volume than is now in force, Joshua B. Glasser, Continental Assurance, Chicago, told members of the Million Dollar Round Table meeting at French Lick, Ind. He said that federal reserve board statistics show that the middle income of the 42 million families in the United States was \$2,920 per year in 1947. In the middle 30's, fewer than 6,600,000 families had joint income of \$2,000 per year. The income of 6 1/2 times as many families had increased approximately 50% in a decade while the average group life certificate in the same period has increased only 20%. In addition there is the large market developed by lowering of group minimums to 25 employees in many states, he declared.

Mr. Glasser developed that there is far too little group A.&H. coverage sold. He was particularly concerned with the results of an analysis he made recently



J. B. Glasser

showing that in the preponderance of group A.&H. cases, the benefits paid for non-compensable disabilities exceeded by a wide margin the maximum amount payable under workmen's compensation for occupational disabilities. There is a tremendous opportunity for the agents to point out to the employer that it is not fair that an employee should be entitled to more benefit for disability which occurred off the job than for one which occurred on the job. This brings the agents and insurance companies a tremendous market in making group A.&H. apply, not only to non-occupational benefits, but for the difference between the benefits under workmen's compensation and those payable for a non-compensable disability.

Mr. Glasser said that compulsory cash sickness plans in three states and possibly more in the not too far distant future provide for insurance by private companies as well as the state. This is a tremendous opportunity for agents to extend the "guaranteed benefits" of the insurance companies.

In the case of hospitalization, surgical and medical benefits he maintained that Blue Cross has been able to enroll approximately 20% of the population, notwithstanding the fact that plans in some of the largest units are floundering in underwriting difficulty. In contrast with this record, he said he knew of not one single major insurance company that had to increase its basic hospitaliza-

tion rate, but on the contrary they have given more benefits for the same rates. The insurance companies and the agents have missed the boat in not selling the importance of "guaranteed benefits" to the hospitals and the community, but it is not too late to do something about this.

Inroads Into Pension Sales

Mr. Glasser said that tremendous inroads have been made in the important field of pensions by independent actuaries, so-called pension consultants and others perpetuating their incomes by the annual retainer's service charges. A number of plans that were underwritten by insurance companies have been replaced by self-funded or so-called self-insured plans. Others are on the point of being pressed to switch right now. The companies and agents have here again done too little in selling the importance of "guaranteed benefits." He cited several instances in which he has discovered that the independent consultants are doing a "swell job on a basis which they think will suit the individual case, without regard to the actual liability which that pension plan incurs."

He pointed out that all over the country, banks and trust companies are advocating self-funded plans and getting out elaborate brochures, most of which contain cold statistics and do not prove anything other than the fact that they are doing a swell selling job. He expressed the belief that the insurance business was not doing anything comparable.

In the entire field of group insurance the speaker expressed his conviction that the insurance people have done too little, but that it is not too late. Life insurance men are missing the greatest opportunity of their time by not qualifying themselves to fulfill the great market which still awaits all forms of group coverage, he concluded.

Wis. Nat'l Names Smith Manager of Ind. Agencies

Wisconsin National has promoted William T. Smith from northern Indiana manager at Kokomo to manager of Indiana agencies, with headquarters at Indianapolis. He joined Wisconsin National in 1941 while employed as a high school teacher and coach at Kokomo. He is a graduate of Indiana University and is a veteran of the recent war. He is immediate past president of the Kokomo Life Underwriters Assn.

Security Mutual Rally at Quebec

Advantages of the "new look" for Security Mutual Life of Binghamton were stressed at its convention at Chateau Frontenac, Quebec.

Security Mutual's "new look," as described at the convention, deals chiefly with accident and health insurance and more particularly the company's entering the non-cancellable disability field.

Norman T. Carson and William H. Fissell, assistant superintendents of agencies, presided in the absence of F. Leon Mable, superintendent of agencies. Mr. Mable, ill since last May, was unable to attend the meetings.

Each qualified man received at the convention a special kit including a series of policies, excerpts from a new rate book which the company has in preparation, plus various circulars and combined application-selling-piece folders. The rate book will be in the agents' hands by the first part of October, but meanwhile agents will be able to sell these new contracts through use of the combined application-sales-pieces which includes rates for all coverages.

Convention speakers included: General Agents A. Jonas Berg, Poughkeepsie; Henry Levine, New York; J. Harold Kay, Newark; Harold D. Farber, Buffalo; David T. Hersch, New York, and A. Stewart Payne, Binghamton.

Field men who gave short talks on "My Most Interesting Sale," were Joseph B. Kirschner, Albert A. Boklan and Matthew Jaffe, all of New York City; Paul Rothkrug, Poughkeepsie; Gordon T. Ketchum, Syracuse; Edwin O. Walker, Philadelphia, and Harry C. Rubin, Milwaukee.

In closing the convention, President Frederick D. Russell gave those present a "Look to the Future," after he summed up progress of the company during the past few years and forecast a continued growth and expansion in the years ahead.

"Early in March all of us at Security Mutual were thrilled by the announcement that the company had reached the \$200 million mark in life insurance in force," Mr. Russell said. "Just two years earlier it had passed the \$150 million mark and four years prior to that the \$100 million. In other words, it took us just one-half as long to gain the last 50 million as the preceding 50. That record speaks for itself."

New Officers Elected by M.D.R.T.



New officers of Million Dollar Round Table elected at annual meeting at French Lick, Ind.: Left to right, seated, Theodore Widing, Provident Mutual, Philadelphia, vice-chairman; Paul W. Cook, Mutual Benefit, Chicago, chairman; Paul H. Dunnagan, Canada Life, Minneapolis, retiring chairman; standing, Walter N. Miller, Penn Mutual, Chicago, newly elected member of executive committee, and John O. Todd, Northwestern Mutual, Chicago, member of executive committee.

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MUTUAL SAVINGS

MISSOURI'S FIRST WHOLLY MUTUAL LEGAL RESERVE COMPANY

Life Insurance Company

812 Olive Street

Allen May, President

St. Louis 1, Mo.

Wells Again Head of Minn. Federation

MINNEAPOLIS—George W. Wells, Jr., vice-president Northwestern National Life, was re-elected president of Insurance Federation of Minnesota at the annual meeting here Wednesday.



G. W. Wells, Jr.

Henry Guthunz, president Anchor Casualty, St. Paul, was elected vice-president, the other vice-presidents being re-elected. They are: Paul Clement, secretary Minnesota Commercial Men's; J. W. Fischbach, general counsel Minnesota Mutual Life; C. W. Hall, president Northwestern Fire & Marine; J. E. Kidd, vice-president Mutual Implement & Hardware, Owatonna, and H. A. Levant, Levant agency, Eveleth.

Arthur Devine, superintendent Prudential at St. Paul, and J. D. MacArthur, president Duluth Underwriters Assn., were added to the board, and Mr. Devine also went on the executive committee.

Added to Legislative Committee

New members of the legislative committee are: Mr. MacArthur; F. S. Preston, White-Preston agency, Minneapolis; R. E. Shay, Bankers Life of Iowa, Minneapolis; G. S. Wilson, president Minnesota Assn. of Mutual Underwriters, Minneapolis, and E. H. Keating, Minneapolis. Clyde B. Helm was re-elected secretary-treasurer, and Roy Nieuhouser, St. Paul, was re-elected chairman of the finance committee.

In his annual report Secretary Helm said the federation has a membership of 750, representing well over 8,000 Minnesota insurance people.

Congressman Walter H. Judd of Minneapolis spoke at a luncheon.

CIO Chief Backs UOPWA, Rebuffs UP

President Philip Murray of the CIO has called upon Prudential to commence bargaining immediately to renegotiate its contract with the United Office and Professional Workers of America, contending that UOPWA is still the bargaining agent of the industrial agents it has been representing and repudiating attempts by the CIO United Paperworkers to raid UOPWA's insurance membership. UOPWA's contract with Prudential, covering 14,000 agents in 31 states, expires Oct. 1. The union is asking for a \$15 cost of living increase and a \$65 minimum salary.

Becker Opposes Sullivan

Commissioner Sullivan won the Democratic nomination for reelection with ease in Washington primary, while Fred C. Becker, Seattle manager of Great-West Life, had a wide margin over his nearest rival, Col. George B. Lamping, for the Republican nomination. Becker and Sullivan opposed each other in the 1940 general election. In 1944 Col. Lamping was Sullivan's opponent.

Cravey Not Affected in Ga.

ATLANTA—In the recent state primary, returns of which have just been officially certified, Comptroller General Zack D. Cravey, who is ex-officio insurance commissioner, was not affected, as he will not come up for reelection until September, 1950. The campaign for governor was to fill the vacancy caused by the death of Governor-elect Eugene Talmadge just previous to his inauguration in January, 1947. Mr. Cravey has always been an active supporter of the Talmadge group.

Amer. Natl. Holds Three-Day Regional

American National held a three-day regional meeting at Old Hearst Ranch, Pleasanton, Cal., with 125 present. Home office representatives included W. L. Vogler, executive vice-president; R. A. Furbush, agency vice-president, and W. W. Cherry, assistant to the agency vice-president.

H. E. Reeves, director of industrial agencies for the west coast, presided at the agency sessions and was banquet toastmaster. O. A. Worl, agency organizer and D. R. Bauman, instructor in the ordinary department, west coast division, presided over a seminar for agents.

Mr. Furbush discussed better training to meet changing conditions. He said the company had opened 18 new industrial districts through the country during the past year and was now negotiating leases to open 15 more new offices by March 1. He announced that the company is \$20 million ahead of last year in ordinary production.

J. R. Maloney, chief deputy of the California department, outlined the department's agents' examination requirements. Other speakers included A. R. Kellogg, superintendent of the Huntington Park agency; A. D. De Baca, superintendent of one of the Los Angeles offices, and Mr. Cherry, who made the keynote talk at the meeting of superintendents on the selection of agents.

Awards to the leading agents and superintendents were made at the banquet by Mr. Reeves. Mr. Reeves was presented a brief case and lounging robe by the superintendents.

Eastern Elects Yarin Secretary

NEW YORK—Eastern Life has elected Harry Yarin secretary. He has been with the company for 21 years as superintendent of agencies. He will fill the post left vacant by the death of Jacob Ish-Kishor. Abraham Krumbain was made 1st vice-president. He has been on the board for four years and is treasurer of B'Nai Zion.

Occidental Honors 8 Men with 225 Years Total Service

LOS ANGELES—Occidental Life began a series of spring and fall luncheons for employees reaching 5-year anniversaries, by honoring eight veterans with total service of 225 years and an average of more than 28 years.

President Dwight L. Clarke was toastmaster and speakers included H. W. Brower, executive vice-president, and V. H. Jenkins, senior vice-president. The men honored were: S. H. Errington, 40 years; Leo W. Dowling, 35 years; A. R. Magruder, retiring assistant secretary, 35 years; W. S. Hosking, treasurer, 25 years; C. Greg Walsh, assistant controller, 25 years; J. Miller, assistant secretary, 25 years; C. F. Kelly, assistant controller, 20 years, and Walter Taube, 20 years.

U. S. Life Appointments

American International Underwriters has been appointed general agents for U. S. Life at Chicago and at Washington. A.I.U. will be able to write all forms of Life, A. & H., hospitalization and group insurance.

Joseph G. Orr has been appointed head of the life and A. & H. department of A.I.U. Agency, Inc., at Chicago. He was formerly manager of the brokerage department of Federation Agency.

A manager will be appointed shortly for life business to be written through A.I.U. branch office at Washington.

These A.I.U. agencies can now handle a complete worldwide program of insurance protection including life.

A Greater Opportunity May Await You With Continental Assurance

Continental Assurance . . . one of America's fastest growing life insurance companies . . . is today rapidly approaching the mark of a billion in force. Such immense progress has created new, outstanding opportunities for experienced life insurance men who seek richer futures.

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Intensive cultivation of territories from coast to coast permits constant expansion of our staff of state supervisors. Salary plus incentive increase plan. Complete welfare program provided.

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AGENTS

Producers with executive and organizational ability are invited to investigate the possibilities of a valuable Continental Assurance franchise. Policy equipment is unsurpassed. Cooperation and proved building formula is provided by Home Office. Attractive commissions and unique pension plan.

DEPARTMENT

MANAGERS

Prominent multiple line agencies, anxious to serve the life insurance needs of their clients, have asked assistance in finding capable, experienced men to head up their life insurance departments. We consider these positions to be among the finest, most lucrative opportunities in the life insurance field today.

Find out what Continental Assurance has to offer you. Costs you nothing. May benefit you tremendously. Send a complete record of your background, life insurance production and experience. All replies confidential.

Agency Department

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Over \$300 Million Increase in Insurance in Force Last 24 months

EDITORIAL COMMENT

Lose the Battle, Win the Campaign

It has taken only a year and a half to vindicate the wisdom of the middle-of-the-road course adopted at the mid-year meeting of the National Assn. of Life Underwriters in Milwaukee in connection with the urgent demands that the constitution be changed to require that at least half of the trustees be personal producers.

It will be recalled that instead of acceding to this demand the association agreed with the principle that agents should have greater representation on the board but refused to tie itself up to a tight rule that half the board had to be agents. It was felt that there was too great a possibility that in some future years there might not be enough good men from the agents' ranks who would be willing to serve.

Now, however, as a result of the recent N.A.L.U. election there are eight agent members and four who are managers or general agents, as against a previous count of five to seven. Since the ticket had only four managers as against five agents, with seven places to fill, there were bound to be at least six agents among the new trustees, giving a 50-50 ratio to managers, while if the voting had been only on the nominating committee's slate there could have been no less than seven agent trustees on the new board to five managers.

Not the least important effect of the national council's action in voting in every agent on the ticket should be among the relatively few but nevertheless highly articulate agents, both within the association and without, who feel that the National association is not bestirring itself fast enough in the interests of the personal producers. For example, the Detroit association has had trouble with some of its members

who felt that the National association was not doing enough about compensation contracts for members. In Atlanta, Mrs. Nola Patterson, editor of "Life Insurance Reveille," is trying to organize personal producers into groups separate from N.A.L.U., with affiliation with some national labor union being discussed as a possibility.

With eight out of 12 trustees being personal producers, it would seem difficult for any but a chronic malcontent to feel that N.A.L.U. is not truly the producing agent's organization. Action may not be as swift nor as drastic as some might like but this is due to the feeling that in some situations it is better to make haste slowly than to upset relationships that have been cordial and friendly over a long period of years. Possibly this policy may swing too far in the direction of conservatism at times, just as the "get-tough" element may want to push too far and too fast on its chosen course, but there is no indication of any failure to look after the agent's interests. It only means that the conservative group needs the occasional prodding of the radicals, just as the latter need to be restrained by the conservatives from getting the bit in their teeth.

Incidentally, the way the increased agent representation on the board has worked out is that there is nothing like a class struggle, with agents lined up on one side and managers on the other. According to reports, all hands work together in the interest of the association, the life insurance business, and the insuring public. There has been none of the narrowly partisan attitude that some feared when it appeared that the agents were going to become an increasingly powerful and eventually dominant factor on the board.

Insurance Is Founded on Exploration

"Gosh, will they never cease developing these hare-brained new insurance schemes. I haven't time to fool with them and I doubt whether any other busy agent has." This was the reaction of a substantial producer when he was asked if he thought there were any possibilities in his community for writing group accident and sickness coverage on students through the schools. The same sort of comment is often heard about other exploratory underwriting from men who are resistive to new ideas or change. Such an attitude is short

sighted. When you stop to think of it, there is not a standard coverage today which did not start out as a "hare-brained scheme" to the standpatters. If it had not been for underwriting vision, the insurance industry would certainly have advanced very little.

From another and an equally important angle, such an attitude is regrettable. Take the matter of group A. & H. on school children. This coverage does fill an underwriting need. Plus that, it has a dramatic appeal far beyond that possessed by the established lines of

coverage. It says to grateful parents and school officials, "Here is an industry which is on its toes devising new ways to serve the public. Here is an industry which is providing a means through which more American students can continue their education even though misfortune befalls them." It is this sort of favorable attention focused upon insurance that is necessary in the public relations of the industry and is not too often found these days. These new cov-

erages dramatize insurance. This same element of drama should be injected in presentations of all coverages. This business is not cut and dried.

Important too is the impact of this particular development upon students of all ages. Impressed with the importance of insurance in seeing them through their educational years, they will undoubtedly seek to continue insurance when they too become breadwinners.

PERSONAL SIDE OF THE BUSINESS

Walter A. Robinson, who is believed to be the second oldest career man in

state insurance supervisory circles, in point of length of service, was feted by his associates in the Ohio department on his 70th birthday anniversary. The girls in the office prepared a celebration with cake and trimmings and that evening Superintendent Lee Shield was host at a card party for Mr. Robinson at his home.



W. A. Robinson

Mr. Robinson is a native of Washington Court House, O., and he graduated at Miami University. He was engaged in the real estate business at Columbus and then in 1910 went with the Ohio department as a clerk in the actuarial division when Judge Lemert was insurance superintendent. He became Ohio actuary in 1917 when S. E. Stillwell left to join Western & Southern Life. In 1944 he became deputy superintendent.

He has served under 19 superintendents and for the past 20 years has been chairman of the blanks committee of National Assn. of Insurance Commissioners. His period of service in insurance supervisory work is believed to be exceeded only by that of Chris Gough, deputy commissioner of New Jersey, who has been in that department 52 years. Third oldest is believed to be Hazelton A. Joyce of the Maryland department.

O'Hanlon Reports is moving into new space that is twice as large as its former quarters, in room 1135 at 166 West Jackson boulevard, Chicago.

Although reelected for a new four-year term, C. A. Craig, former president and now chairman of the finance committee of National Life & Accident, resigned as a member of the executive committee of the board of publication of the Methodist Church at the board's meeting at Chicago Sept. 15.

Mrs. Lee Parker, whose husband is president of American Service Bureau of Chicago, underwent an operation at Evanston hospital this week.

Otto Kliever, Equitable Society, Atchison, Kan., has been appointed district grand exalted ruler of the Elks for eastern Kansas.

Edson Chapman, Metropolitan manager, Chicago, is reported gathering strength at the hospital in Elgin, Ill.,

for a major operation which is to be performed shortly. Mr. Chapman was taken critically ill at the N.A.L.U. convention in St. Louis and was transported from there to Elgin in an ambulance under opiates.

R. Turner Arrington, assistant secretary of Life of Virginia in charge of the policy owners service division, is chairman of the special gifts unit of Richmond Community Fund.

A. A. Baltz, with Prudential at Chanute, Kan., for 35 years, was honored with a dinner on his retirement. A traveling bag was presented by the staff.

Richard K. Paynter, Jr., vice-president and treasurer of New York Life, has been elected to membership on the executive committee of the U. S. branch of Employers Liability.

Paul E. Van Horn, who has joined Guardian Life as director of field training, entered the life insurance business in 1935.

After graduation from Sheffield Scientific School of Yale in 1929, he spent several years in sales management. He entered life insurance at Rochester as an agent. He soon took over duties of supervising and training field men, and later accepted a management post.

During the war he was a marine corps officer at Oahu, Hawaii. In 1946 he became assistant superintendent of agencies with Continental American Life.

He is a past president of Rochester Life Underwriters Assn. and that city's C.L.U. chapter.

DEATHS

Milton Sandefur, 80, retired assistant superintendent of Prudential at Indianapolis, died at his home. He retired 15 years ago after 25 years with the company.

William R. Lewis, for 33 years with Standard of Oregon, formerly Oregon Mutual Life, died at Portland, Ore. He was a native of Boise, Ida., and after a brief time in the copper mining business in Montana joined the company in 1915. For several years he lived in

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PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127. Tel. Pennypacker 5-3706. E. H. Fredrikson, Resident Manager.

SAN FRANCISCO 4, CAL.—507 Flatiron Bldg., Tel. EXbrook 2-3054. F. W. Bland, Pacific Coast Manager. Guy C. Macdonald, Pacific Coast Editor.



Astoria, later moving to Portland. He served in the first war and was active in civic affairs.

Thomas B. Love, 78, first insurance commissioner of Texas 1907, died at his Dallas home. He organized the department. He served as assistant secretary of the Treasury under Woodrow Wilson and during the first world war supervised the bureau of war risk insurance, the bureau of internal revenue and had charge of enemy and neutral insurance properties. At the time of his death he was working on an insurance history of Texas.

Frank S. Davis, director of Victory Life since 1932 and president of Davis-Wellcome Investment Co., Topeka, died there.

Adam P. Brzezinski, formerly for 20 years assistant manager of John Hancock Mutual Life at Orlando, Fla., died there. More recently he had been in the hotel business.

Warns of Risks in Some Marital Deduction Plans

(CONTINUED FROM PAGE 1)

company split a policy it should be split.

There should be a separate beneficiary designation and a settlement option agreement for each policy, for if one policy should be found not to comply with the deduction requirements the others might be invalidated too.

All provisions should be eliminated from beneficiary designations or settlement options that make payment contingent on anything but the death of the husband. For example, a requirement that the beneficiary be alive on the date of proof of death may be held to destroy the deduction, for the wife's rights of ownership must be 100% as of the moment of the insured's death.

Common disaster waiting periods should be eliminated in most cases, especially in estates under \$120,000 because it is always better to have half the proceeds go to the wife's estate even though she dies immediately after the husband.

The agent should read each word of his client's policies and make certain that there is nothing, such as a facility of payment clause, for example, that could defeat the unconditional right of the wife to receive the insurance. Where settlement options are involved the agent should make certain that 100% of each payment is to begin not more than 13 months after the insured's death and be paid at least as often as once a year.

Lists Vital Types of Data

Mr. Maduro listed the following information as vital in proper planning of an estate to determine what policies should be used to obtain the marital deduction: Face value of each policy; present commuted value of family income policy; riders; accumulated dividend values and paid up additional values as of today; prepaid premiums and whether they are payable to the beneficiary or to the estate; double indemnity in the policies and whether it can be paid to any one other than the primary beneficiary; any provision for repayment of unearned premiums and refunds, which could make a substantial difference; the guaranteed rate under each settlement option, since it is to the client's advantage to make use of the policy that will result in the highest income; restrictions on each contract that limit settlement payments to the wife's lifetime, so that the restricted policies can be used in connection with the marital deduction and the unrestricted policies in the rest of the estate; loans on each policy and whether they are with a bank or the insurance company, also whether there is a right of reimbursement and whether there is provision for paying off first the policies with the lowest reserve assumptions.

Mr. Maduro said the marital deduction presents agents with an unparalleled opportunity not merely to offer their services to prospects but to point out that \$100,000 of insurance, for example, is actually worth much more, perhaps \$138,000, on an income basis, and to have the combined sales stimulus of greed and family love.

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List of Topics Given for Dallas Management Course

Following are the topics for each of the round table discussions on life insurance agency management sponsored by the Dallas Life Managers Club. A. R. Jaqua, Southern Methodist University, will be in charge.

Oct. 4—What Is My Job as an Agency Manager?

Oct. 11—What Shall I Do about Present Agents and Office Personnel?

Oct. 18—Where Will I Find and How May I Reach Prospects for Agency Contract?

Oct. 25—How Can I Determine Which Prospective Agents Should Be Offered Contracts?

Nov. 1—How Can I Present the Advantages of Life Underwriting as a Career to Prospective Agents?

Nov. 8—Who Is Going to Finance This Prospective Agent, and How?

Nov. 15—What Preliminary Information and Instructions Should I Give the New Agent?

Nov. 22—When and How Shall I Get the New Agent Into Production?

Nov. 29—How Can I Implement the Basic Instruction and Training Plans Which Have Been Provided, or Which I Have Set Up?

Dec. 6—What Continuing Instruction and Training Can I Provide?

Jan. 17—What Supervision Can I Provide for Agents?

Jan. 24—What Supervision Can I Provide for Executive Staff and Office Employees?

Jan. 31—What Sales Promotion Plans Can I Employ?

Feb. 7—What Services to Policyowners Can I Provide?

Feb. 14—How May I Evaluate Existing Business and Plan?

Feb. 21—How Can I Make My Agency Profitable to Me and My Company?

Feb. 28—How Shall I Organize My Personal Time to Make a Success of My Job?

Mildred Stone Gives Talks

Mildred F. Stone, agency field director of Mutual Benefit at the home office and director of policyholders services,

addressed the Millard F. Bingham agency of that company at Springfield, Ill., at an agency gathering and also spoke at a meeting of the General Agents & Managers Assn. on "Your Many Publics." While in the city for two days visiting the Bingham agency she gave a talk before the Springfield Assn. of Insurance Women on "After Work—What Then?"

Cases Assembled for LUTC Courses

The backbone of section I of the Life Underwriter Training Council course, which will be given in over 43 communities in the east and south this fall, will consist of actual, typical cases from the field reported exactly as they happen. These will be supplemented by five training manuals on "Your Product—Analytical Underwriting," "Your Customers—Why People Buy Life Insurance," "Your Presentation—the Sales Process," "Your Job—You as a Businessman," and "Your Market—Where and How to Find the Buyer."

Over 200 cases have been secured from all parts of the nation by the LUTC case studies committee. Cases have been obtained from both ordinary and combination company agents, from \$100,000 producers and million-dollar producers. They have been provided by agents who specialize in package sales, programming, business insurance, group, salary savings and pension trusts, and include sales to meet almost every known life insurance need.

The case method is used because it deals with the prospect and the agent rather than general principles. Cases are colorful and easily understood. The ideas and methods presented in them can easily be used by other agents.

Every two or three weeks a special project will be assigned in addition to case studies and text material. They include the "Information Index," an objective type test, from which agents can learn where their knowledge of life insurance requires strengthening. The "Sales Methods Index" critically examines an agent's methods, highlighting his weaknesses in both prospecting and selling. The "Social Interest Index" measures the extent to which the agent has taken advantage of his natural markets. Other projects include practice sales cases, in which the facts are given and the amount and kind of insurance sold and the method of handling the sale must be developed by the agent; drill on settlement options, programming, social security and NSLI; and analyses of past sales and planning.

N. C. Mutual Has First School for Negro Managers

Attended by 148 managers and assistants from eight states and District of Columbia, and 50 other employees, a school on marketing life insurance was held at Durham, N. C., sponsored by North Carolina Mutual Life in celebration of its 50th anniversary.

The school, first of its kind for Negro insurance managers anywhere, was made possible through the cooperation of the Life Insurance Agency Management Assn. which supplied three of its top instructors for the school.

North Carolina Mutual is the association's only member which does not represent white management.

Ark. Contract Cancelled

Arkansas Medical Society and Arkansas Hospital Assn. have withdrawn their "seal of endorsement" from the group hospitalization program that was underwritten by John Marshall of Chicago under a contract to handle the "Arkansas Health Plan." The joint committee of the two health groups are now searching for another insurer. The program was canceled, according to the joint committee, because Bankers Life & Casualty, which has reinsured John Marshall, insisted on certain restrictions that it felt were necessary.

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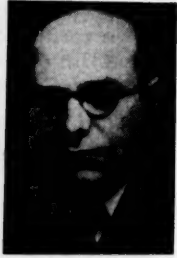
Hindermann and Goldman Advanced by Pan-American

Pan-American Life has named Franz Hindermann to the board and S. S. Goldman has been appointed general counsel.

Mr. Hindermann joined Pan-American in 1914 as an agent and transferred



F. Hindermann



S. S. Goldman

a year later to the home office investment department. In 1917 he was advanced to assistant treasurer. During the same year he enlisted in the navy and served until the end of the first war. In 1927 he was elected treasurer and in 1944 was made a vice-president.

Mr. Goldman is named general counsel following the death of Eugene J. McGivney who was vice-president and general counsel of Pan-American since its organization.

Mr. Goldman joined the company's legal staff in 1917 as assistant to Mr. McGivney. Except for a period of service with the navy, during the first war, he has held that position continuously.

Carson Acting Superintendent of Security Mutual

Norman T. Carson has been appointed acting superintendent of agencies for Security Mutual Life of Birmingham.

Mr. Carson, who is 37, joined Security Mutual in 1939 as agency secretary with 10 years' insurance experience. After serving in the army he returned to Security Mutual in 1946 and was at that time appointed assistant superintendent of agencies.

Mr. Carson will be acting superintendent in the absence of F. Leon Mable, who has been ill since early last May.

Prudential Names Cramer Western Regional Manager

Donald O. Cramer has been named regional manager in the western home office of Prudential. He went with Prudential in 1937 in St. Louis. He was promoted to assistant manager in 1940. Following transfer to the home office in 1946, he was named associate regional manager. Since 1947 he has been regional manager supervising ordinary agencies in the northwestern region.

New Home Office Unit

Massachusetts Mutual has appointed R. Nelson Blomfield as educational supervisor, and Mildred A. French as assistant educational supervisor. Mr. Blomfield will be in charge of the various educational activities conducted for home office employees.

Among the activities of Mr. Blomfield

and Miss French will be the supervision of the Life Office Management Institute courses, preliminary training new employees receive in home office procedure, and refresher training for potential stenographic and typing assignments.

Mr. Blomfield graduated from Williams College in 1924 and joined Massachusetts Mutual in the actuarial department. In 1937 he was transferred to the claim department. In 1938 he became supervisor in the personnel department.

Miss French was secretary to Bertrand J. Perry, recently retired chairman. She is a former president of Springfield Business & Professional Women's Club.

New Prov. Mutual Financial Secretary

Provident Mutual Life has elected William C. Trapnell as financial secretary, replacing R. F. Maine who has

resigned to become an independent financial consultant.

Mr. Trapnell has been with Scudder, Stevens & Clark, investment counsel at New York where he was senior analyst and has been responsible for investment research in various fields including chemical, petroleum and allied industries. He has had wide experience in these fields, having been a research chemist with the duPont interests and having served as an industrial engineer for Chase & Waring at New York. He spent two years as research supervisor in industrial economics with the U. S. government and served as lieutenant commander in the navy.

He is a graduate of the Virginia Military Institute.



W. C. Trapnell

Prudential Men on Coast Promoted

LOS ANGELES—William J. Cochran, general manager of the western home office of Prudential, has been promoted to second vice-president. He is aged 36, a native of Winnipeg, and has been with Prudential since 1932, following graduation from Reed College, mathematical degree. He is a fellow of the Actuarial Societies. He was a lieutenant commander in the navy.

Frederick E. Rathgeber has been advanced to general manager, insurance and service department, and assistant treasurer; Harold G. Paff, actuary of the western home office; Alan M. Thaler, actuarial supervisor; Kenneth B. Hixson, counsel of the western office; Edward F. Baumer, director of the information and research department; and William D. Fowler, general manager bond department.

Adams Personnel Chief

J. F. Adams, since 1934 office manager of Northwestern National Life, has been appointed personnel director. He joined the accounting department in 1925, and was agency secretary from 1927 to 1934 when he became office manager. He served in the navy in both wars, emerging from the last war with the rank of lieutenant commander.

New Medical Director

Dr. Merchant W. Colgin has been appointed medical director of Amicable Life to succeed the late Dr. H. F. Connally.

H. R. Baker Is Promoted

Home Life has appointed Harold R. Baker assistant attorney. He has been

with Home Life since 1942. His first position was in the tax division of the actuarial department. In 1945, he was named a supervisor in the policy planning department. He is a graduate of Bucknell University and the law school of University of Pennsylvania. He was at one time with Home Owners Loan Corp.

Mileham Is Promoted

Walter H. Mileham has been appointed auditor and budget officer of Penn Mutual Life. He has been with Penn Mutual since 1933. He is graduate of Temple University and had public accounting experience before he joined Penn Mutual. Two years ago he was made assistant auditor. During the war he served in the army air forces.

Joins National Life, Canada

Hilary L. Seal, well-known actuary in Great Britain and former assistant actuary of a Brazilian life company, has been appointed actuary of National Life of Toronto.

Former Navy Insurance Men Take Summer Seminar

During the summer several navy reserve officers who served in the insurance division during war 2 have returned to Washington for two-week training periods in the insurance branch. These officers include Lt. Comdr. Frank I. Butterworth, head of compensation and liability department of Maryland Casualty, Chicago; Lt. Comdr. Charles G. Gilmore, special agent Travelers, Richmond, Va.; Lt. Comdr. Otho J. Parker Jr., president Parker Insurance Agency, Atlanta; Lt. Comdr. Frank J. Sartore, Brown, Crosby & Co., New York; Lt. Comdr. J. Russell Townsend Jr., associate general agent Equitable Life of Iowa, Indianapolis.

The insurance men were brought up-to-date on the present procedures of the navy insurance program and informed present members of the division on current information of the insurance industry.

Polio Conference Formed

A meeting is being held at Ft. Worth this week to form what is to be called Asso. of Polio Underwriters & Claim Settlement Personnel. Some 25 companies are writing polio policies in Texas and this is an attempt to get a forum for exchanging experiences and possibly for standardization of underwriting procedures and practices. The meeting was called by O. R. Leverett, vice-president of American Fidelity Life of Ft. Worth.

Steps will be taken to perfect the organization and there will be an open forum discussion of underwriting practices and procedures and another on claim practices and experience. This type of policy is being extensively written these days. At first the premium charge was usually \$10, but now a number of the companies are writing it for \$5 on a family group basis and providing benefits up to \$5,000 for medical, hospital expenses, iron lung, nurses, transportation, braces and crutches.

Dr. Toll Slated at N. Y.

Dr. R. M. Toll will speak on the care and setting of fractures at the first fall meeting of A. & H. Club of New York.

LIFE INSURANCE AND THE FUTURE

Whatever the record of any business in the past—whatever it may be in the present—is no criterion of its continued value unless it has the ability to survive the vicissitudes and changes of the future.

Since its establishment on the North American continent in 1759, Life Insurance has faced, adapted to and survived war, depression and changed legal concepts and, despite of them, has grown by strides, perhaps grown because of them—for men have seen in Life Insurance the stability no other investment can offer.

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ACCIDENT AND HEALTH

Must Sell A. & H. On Emotional Basis: Tuchbreiter

Accident and health insurance is an emotional business and must be sold on that basis, Roy Tuchbreiter, president of Continental Casualty and Continental Assurance, told Chicago A. & H. Assn. at its first fall meeting. He contrasted it with the "paper and pencil" method used in some other insurance lines, where the agent analyzes the prospect's policies with the idea of showing him how to reduce his rate. He said there are still some accident and health agents who sell destructively, picking out faults in the coverage a man has and selling by tearing down. "Stay away from agents of that type," he advised, adding that their sales are likely to result in claim trouble.

In that connection he emphasized the importance of the claim department in accident and health sales, and making it a real part of agency work. "Any company can write all the accident and health business it wants today," he said, "but if it is to stay in business it must have a good claim department."

He reviewed the development of A.&H. insurance from the era of high pressure salesmanship 30 years ago, when it was solicited and not sold and questionable practices were quite common, to the merchandising business that it is today.

Mr. Tuchbreiter urged that the business do more living with the insurance commissioners and let them know what the public wants.

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Wessman Announces Year's Program

Irving G. Wessman, Loyalty group, association president, in introducing Mr. Tuchbreiter, emphasized that there is a big job to do in Illinois. Reviewing the development of UCD plans in various states, he warned against the idea that "it can't happen here." He said the Chicago association will work closely with other organizations but feels that the Illinois situation is primarily its responsibility.

He announced the program for the entire year: Oct. 19, H. P. Skoglund, president North American L.&C.; Nov. 19, annual banquet, which will be a memorial to Harold R. Gordon, with V. J. Skutt, president H.&A. Underwriters Conference, as chief speaker and Insurance Director Parkinson the chairman and vice-chairmen of the Illinois legislative insurance committees as guests; Dec. 21, Christmas orphans' party, with outstanding sport and screen stars; Jan. 18, J. F. Follmann, Jr. Bureau of A.&H. Underwriters, reporting on the N.A.L.C. meeting; Feb. 15, W. E. Leiby, Los Angeles A.&H. general agent; March 15, sales congress, morning, afternoon and luncheon, with J. E. Powell, Provident L.&A., as luncheon speaker; April 19, Melvin Evans, "Human Engineering in A.&H. Insurance;" May 17, annual meeting, with R. J. Wetterlund, Washington National, speaking on legislation and A.&H. claims; June 21, annual outing.

Harold Bredberg, National Service & Appraisal, membership chairman, reported 42 new members, bringing the total to 214, the highest of any of the 60 local associations.

Butler Has Blue Cross Plan

CHARLESTON, W. VA.—A three-point program designed to improve the

operation of Blue Cross hospital and medical service plans was laid before plan managers and hospital administrators by Commissioner Butler. He proposed that there be a greater representation of lay personnel on both the hospital and medical service boards. He suggested that smaller plans be merged with larger systems to achieve economy in operation and general efficiency.

He further recommended the adoption of a state-wide contract, with standardized language and with definite insurance controls incorporated in the policy.

H. & A. Conference Committees Named

Three administrative and 20 "working" committees of H. & A. Underwriters Conference have been appointed by V. J. Skutt, Mutual Benefit H. & A., president of the conference.

In line with action taken at the annual meeting, President Skutt appointed an expanded group committee, which now takes in all forms of group insurance. P. W. Watt, Washington National, is general chairman and there are four vice-chairmen: Industrial group, J. E. Hellgren, Lumbermen's Mutual Casualty; association group, George L. McDowell, Commercial Casualty; blanket, F. M. Walters, General Accident, and franchise, H. C. Pogue, Business Men's Assurance. Bill Howland, conference statistician, is committee secretary. The first annual meeting of the group committee has been set for Nov. 18-19 at the La Salle Hotel, Chicago.

The advisory committee includes S. C. Carroll, Mutual Benefit H. & A., L. D. Cavanaugh, Federal Life, James E. Powell, Provident L. & A., Paul Clement, Minnesota Commercial Men's, John M. Powell, Loyal Protective Life, W. G. Alpaugh, Inter-Ocean, O. F. Davis, Illinois Bankers Life, H. P. Skoglund, North American L. & C.

Chairmen of other committees are: Planning, E. J. Faulkner, Woodmen Accident; finance, L. D. Cavanaugh; agency management, J. E. Schofield, North American L. & C.; blanks, R. R. Haffner, B.M.A.; business standards, C. O. Pauley, Great Northern Life; convention, G. T. Delahanty, Alliance Life; education, C. F. Lee, Columbian National Life; hospital, I. A. Weaver, Security Casualty; legal, C. L. Peterson, Ohio State Life; medical insurance, W. deV. Washburn, American Health; membership, Stanford Miller, Employers Reinsurance; memorials, A. W. Franklin, United Commercial Travelers; non-cancellable, H. R. Lawson, Massachusetts Protective; public relations, F. S. Vanderbrouk, Monarch Life; social insurance, R. J. Wetterlund, Washington National; standard provisions, Jarvis Farley, Massachusetts Indemnity; statistical, J. H. Miller, Monarch Life; taxation, John Jay Temple, American Hospital; underwriting, D. B. Alport, Business Men's Assurance; disability insurance joint committee, Fred Grainger, Federal L. & C.

The legislative committee includes one member for each state.

Tell Features of Code of Mail Order Group

Although the code of ethics that has been adopted by Assn. of Insurance Advertisers, which is the organization of a number of mail order insurers, has not been publicized, some of the important rules have become generally known. For one thing, it is understood, these companies would agree to refrain from using the term "no physical examination required." Also they would refrain from advertising benefits "up to" a certain amount wherein the maximum benefits that could be received are set

forth. Also they would cease to box off in a prominent way, such things as triple indemnity and other features indicating that very large benefits are to be had whereas such benefits are payable only under very unusual circumstances.

Twin City Group Is Subdivided

A. & H. men at Minneapolis and St. Paul whose interests have been served by a single trade group, Twin City A. & H. Underwriters Assn., will now have two separate city associations. The decision was made at the annual meeting.

Officers of the new Minneapolis A. & H. Underwriters Assn. are:

President, A. A. Altermatt, Monarch Life; first vice-president, William H. Legler, Massachusetts Protective; second vice-president, Curt Johnson, North American Life & Casualty; secretary, Free Bayard, Monarch Life, and executive board chairman, M. C. Laughman, North American Life & Casualty.

Officers of the new St. Paul association are:

President, Peter J. Devine, Occidental Life; first vice-president, William

Wehrle, St. Paul Hospital & Casualty; secretary, Bernard J. Cashman, Monarch Life, and executive board chairman, George A. Michel, Mutual Benefit H. & A.

National Assn. Officers Start on Active Schedule

Officers of National Assn. of A. & H. Underwriters have started an intensive fall schedule.

President E. F. Gregory, G. H. Knight, chairman of the board, and D. S. Walker, second vice-president, attended the Disability Insurance Joint Committee meeting at Chicago, where representatives of the National association and H. & A. Underwriters Conference discussed plans for mutual cooperation on many spheres of activity.

O. J. Breidenbaugh, executive secretary, spoke at a sales seminary at Port Elgin, Ont., conducted under the leadership of Earl Putnam, president of Canada Health & Accident for the leading producers of that company.

He will address the sales congress of the Philadelphia association Oct. 1 on "The Sales Power in Public Relations."

Mr. Breidenbaugh will visit the Kansas City association Oct. 8, and on Oct.

Fifty-Fifth Year of Dependable Service

★ The State Life Insurance Company has paid \$163,000,000 to Policyowners and Beneficiaries since organization September 5, 1894 . . . The Company also holds over \$70,000,000 in Assets for their benefit . . . Policies in force number 102,000 and Insurance in force is over \$206,000,000 . . . The State Life offers General Agency Opportunities — with liberal contract, and up-to-date training and service facilities — for those qualified.



THE STATE LIFE INSURANCE COMPANY

Indianapolis, Indiana

MUTUAL LEGAL RESERVE FOUNDED 1894

9 will address an agents' meeting of Mutual Benefit H. & A. at Omaha.

President E. F. Gregory and Wesley J. A. Jones, assistant executive secretary, will lead off on a trip through the northwest and west at a meeting with the Spokane association Oct. 6. Later they will visit associations at Seattle, Vancouver, B. C., Portland, San Francisco and Los Angeles. A number of speaking engagements have been scheduled for them in these and nearby cities.

United of Chicago Favorably Examined

United of Chicago at Dec. 31, 1947, had assets of \$8,784,565, capital \$1 million and net surplus \$2,781,767, according to the report of an examination which was conducted by Illinois, Maryland, Kentucky and Kansas. The examiners state that the cash position is well maintained and the assets consist of a diversification of liquid securities. The premium writings have considerably increased in volume. Policy obligations have been discharged in accordance with policy terms.

The total income in 1947 was \$12,691,135 of which \$2,541,851 was life insurance premium income and \$9,881,667 casualty premium income.

Dopke New President of Wisconsin A. & H. Assn.

MADISON, WIS.—Walter A. Dopke, North American Life & Casualty, La Crosse, was elected president at the annual meeting here of Wisconsin Assn. of A. & H. Underwriters. He succeeds Alfred K. Perego, Wisconsin National Life, Milwaukee, who headed the state group during its first year and becomes chairman.

New regional vice-presidents are Eugene G. Malone, Time, Milwaukee; Carl Brandt, First National Casualty, Fond

du Lac; Francis W. Quade, Massachusetts Protective, Wausau, and Herbert A. Quist, Business Men's Assurance, Green Bay.

Leo E. Packard, Loyal Protective, Milwaukee, was reelected secretary, and Brace M. Stahl, Great Northern Life, Madison, treasurer.

The business meeting followed a dinner and an afternoon of golf at Nakoma Country Club, with the Madison association as host. Other locals participating were Milwaukee, Fond du Lac and La Crosse. The coming year special efforts will be made to secure formation of permanent local groups at Green Bay, Oshkosh, Wausau, Eau Claire, Racine and Kenosha. Preliminary work has started in these cities through the efforts of President Perego and other state officers, and President-elect Dopke has set these six as the minimum for the coming year. Members of the Leading Producers Round Table and those awarded certificates for completing the A.&H. sales course were honored at the meeting.

Liberalizes Non-Can Forms

Union Mutual Life has added a lifetime accident rider and increased hospital benefits and retention limits on its non-cancellable policies. The rider may be added to new and existing contracts. Hospital benefits may now be written up to \$8 per day. New maximum retention limits are \$275 monthly on the short term and \$250 on the long term contract.

San Antonio Congress Set

Addressing San Antonio Assn. of A. & H. Underwriters, Henry Coutret, south Texas general agent of Ohio National Life, expressed the opinion that life companies should provide protection for the individual against all his personal hazards as to need for hospitalization, accident and sickness. He urged that agents study the needs of

prospect and fit the insurance offered to cover these needs.

President O. D. Harlan of the state association announced that the San Antonio A. & H. sales congress will be held, Dec. 8, beginning with a luncheon and continuing through the afternoon. He called attention to the importance of contacting legislators so that political insurance schemes may be guarded against.

Keith Lyons suggested in answer to the pleas of President Harlan for increase in membership that a managers and general agents group of 10 men be formed to invite six each as guests at the luncheons, with the association paying one-fifth of the cost. It was voted to adopt this plan.

Utah Delegates Report

The first fall meeting of Utah A. & H. Club was held at Salt Lake City, Sept. 13. F. Edward Walker and H. W. Carter, delegates to the national convention in June, reviewed that meeting.

Brooklyn A. & H. Men Meet

Brooklyn Assn. of A. & H. Underwriters will hold its first lunch meeting Sept. 29. Speakers will include O. J. Breidenbaugh, National association executive secretary; his assistant, Wesley J. A. Jones, and George J. Richards, Monarch Life, Hartford, member of the national executive board.

COMPANIES

Interstate's Building Plans

Construction of the new home office building of Interstate Life & Accident is scheduled to begin by March, 1949, according to President H. Clay Evans Johnson. The building is expected to cost \$1,750,000 to \$2 million. It will be six stories high with a frontage of 204 feet and a depth of 70 feet and ultra-modern in every day. Plans for the building were on exhibition to the 300 representatives of the company attending the annual convention.

Wis. National Praised

The Wisconsin department has published the report of an examination of Wisconsin National Life as of Dec. 31, 1947 showing assets \$16,843,776, reserve for contingencies \$442,947, capital \$400,000 and net surplus \$750,000. The examiners state that sound investment and underwriting practices prevail, the mortality rate is favorable and policyholders and claimants receive fair and equitable treatment.

Knights Life Addition

Knights Life is doubling its floor space by erection of a four-story and basement addition adjoining the present building at Pittsburgh. The 28,000 additional feet of space will permit the location of a kitchen, dining rooms and recreation rooms on the ground floor. Recreational facilities will be provided for employees on the roof.

Application for approval of excavation for the new upper Broadway home office building of Mutual Life was filed.

UNUSUAL OPPORTUNITY

Large, progressive, life insurance company seeks an assistant medical director capable of succeeding the present medical officer when he retires under the Company's pension plan within a few years. Prefer a man under age 45. Salary open.

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CHANGES

Wehrle in W. Va. for Pan-American

Pan-American Life has appointed Roy M. Wehrle as general agent in West Virginia, with offices at Charleston.

Mr. Wehrle has been with George Washington Life for the past 14 years, serving as cashier, agency secretary and since 1946, director of agencies. He entered the army in 1943 and served in Europe.

Mr. Wehrle is currently chairman of the publicity committee for both the Charleston and West Virginia life underwriters associations.

Dougan Joins Mass. Mutual as N. W. Group Supervisor

Massachusetts Mutual has named Henry G. Dougan group supervisor for the Pacific northwest in Seattle. He entered the life insurance business in Seattle in 1935 with Penn Mutual. For the last five years he has been group supervisor in Seattle for John Hancock. He was graduated in 1935 from the University of Washington.

North American, Canada, Makes Managerial Changes

A. Gay Kirkpatrick has been named manager at Hamilton, Ont., Canada, by North American Life. He has been manager at Halifax.

E. S. Bringloe succeeds Mr. Kirkpatrick at Halifax. W. B. Banfield, manager at Winnipeg since 1935, except for four years in service, has been appointed regional group supervisor for the provinces of Manitoba and Saskatchewan. P. D. Campbell will succeed Mr. Banfield as manager at Winnipeg. Mr. Campbell has been manager in Hamilton.

Hollman Office Manager

Fred R. Fast, Newark manager of Union Mutual Life, has appointed Kenneth Hollman office manager and cashier.

Mr. Hollman has been in life insurance for 23 years with Mutual Life, Fidelity Mutual Life and Massachusetts Mutual Life in New York City.

Jefferson Names Managers

Jefferson Standard has named Joe W. Piner manager at Huntington, W. Va., and Ned P. Searcy manager at St. Louis. Mr. Piner has been with the company since 1928. For 18 months he has been manager at Topeka. Mr. Searcy has been a district manager in Albany, Ga., for the past year. He joined the company in 1941, served in the last war and is completing the final section of the Purdue course.

Two N. Y. Appointments

Postal Life has named Arthur Milton as general agent for 441 Lexington avenue, New York, and A. A. Karduna at 186 Joralemon street, Brooklyn.

Mr. Milton has been a successful pro-

UNLIMITED OPPORTUNITY FOR YOU

As a life underwriter you are in a business of unlimited opportunity. Your product is needed by every American, and while other businesses attempt to duplicate or replace your product, they have been unable to do so. Your product is *Economic Security* and for the majority of Americans is available only from you and others of your profession.

It is the obligation and opportunity of all life underwriters to see that America understands and owns this product.

BENEFICIAL LIFE
INSURANCE COMPANY

George Albert Smith, President

Salt Lake City, Utah

ducer for Equitable Society. He is president of Malba Gardens Civic Assn. of Malba, L. I.

Mr. Karduna entered the business with Metropolitan Life in 1936. He later was with Fidelity Mutual, then became brokerage supervisor with United Benefit Life, and became district manager for Security Mutual Life of New York in 1946.

N.A.L.&C. Enters Okla.

North American Life & Casualty has been admitted to Oklahoma. William C. Stinson, Jr., of Oklahoma City is general agent.

Utts Niagara Falls G. A.

Norman L. Utts of Niagara Falls has been appointed general agent for western New York of Massachusetts Protective and Paul Revere Life. He has been in life insurance in Niagara Falls for 15 years and for three years has been assistant general agent of John Hancock in charge of the Niagara Falls office.

He is a director of Niagara Falls Assn. of Life Underwriters.

Foy Named at Fremont

F. J. Foy, Fremont, Neb., has been named district manager for Mutual Benefit H. & A., United Benefit Life and United Benefit Fire. He succeeded his father, the late Frank A. Foy, as representative of the companies there a year ago.

N. Y. Life Opens at Queens

New York Life has opened a Jamaica district office in Queens, L. I. Andrew M. Christensen is manager.

Farmers Life Changes

Farmers Life of Des Moines has named Donald R. Crabb of Brazil, Ind., special home office representative.

Joseph Zipkes, Cincinnati, has been appointed general agent.

O. W. Johnsgard, Christine, has been appointed state manager for North Dakota.

Bettis to Corpus Christi

C. J. Bettis has succeeded John Vail as Corpus Christi, Tex., manager of American General Life. Mr. Vail resigned to enter the transfer and storage business.

Earley W. Leggett has been appointed agency supervisor for Reliance Life at McComb, Miss. He has been district manager there.

UOPWA Plans New England Strike Against Prudential

BOSTON — Leaders of the CIO United Office & Professional Workers, representing New England, have announced a tentative plan for a strike of industrial agents against Prudential on Oct. 1. They seek an increase of \$15 a week and a \$65 a week minimum wage. Boston local 41 voted 199 to 16 for the strike, and other New England locals are scheduled to hold strike votes the coming week. Altogether they represent 1,800 of the company's agents.

C.L.U. Courses at New York

The school of insurance of Insurance Society of New York and the New York C.L.U. chapter are cooperating to offer classes starting this fall in preparation for part E of the C.L.U. examinations. Dr. Edwin H. White, assistant general agent at New York for Aetna Life, will conduct the classes. This is the first time that instruction has been given at New York on part E. Entitled "Life Underwriting—Comprehensive," it is a summing up and application of all material included in the preceding parts of the C.L.U. course.

LIFE SALES MEETINGS

Provident L. & A. Life Leaders Hold Home Office Parley

Provident Life and Accident this month conducted its first life convention since 1941, at the home office city of Chattanooga. Sixteen graduates of the 1947-1948 home office training school for life agents were among those qualified to attend and they were signaled out for honor by G. O. Ward, director of field training, at one of the business sessions.

There was a blending of business and pleasure at the convention. Approximately 200 field men, home office members and wives attended.

The meetings were opened with a banquet with Sam E. Miles, vice-president of the life department, as toastmaster. The delegates were welcomed by President Robert J. Maclellan.

Mr. Miles presented special prizes to the three officers of the Leaders Club. H. Grice Hunt, Greenville, N. C., was introduced as club president. He was the top producer last year, and is a life and qualifying member of the Million Dollar Round Table for the fifth time. Other club officers are E. Floyd DuFree, Greenville, vice-president, chapter secretary, manager of the home office life agency.

Mr. Miles also officiated as chairman of the opening business session. The program included talks by President Maclellan, W. C. Cartinhour, vice-president-secretary; L. N. Webb, and R. L. Maclellan, vice-presidents.

Emphasizes Sound Principles

President Maclellan traced the company's growth and expansion during its early years and emphasized that continued growth has been largely due to adherence to principles laid down then.

Mr. Cartinhour pointed out that the company has made great strides in the first 11 years of its second half century. Total premium income was about \$9 million in 1937 and estimated premiums in 1948 will be about \$30 million. A. & H. premium income has risen from \$6½ million in 1937 to \$23 million in 1948.

Mr. Webb talked on the importance of efficient service to policyholders and commented that the claim department is now issuing benefits at the rate of 1,180 a day.

R. L. Maclellan traced the growth and development of the life department.

Dr. C. R. Henry, medical director, spoke on the importance of cooperation between the field man and the medical department.

Actuary K. B. Piper spoke on the theme of "Seeing Ourselves as Others See Us."

Mr. Miles gave a preview of the company's long range program. A feature of his talk was the inauguration of a new production club to be known as the "Maclellan Circle." This group will be an aristocratic organization of leading producers providing "above average recognition for above average service to policyholders," Mr. Miles said.

There was a luncheon honoring the members of the president's club and wives and a reception at the home of President Maclellan. In the evening movies of the previous convention were shown.

On the second morning there was a sales clinic attended by the field men. The discussion presented sales approaches and developed answers to many questions posed from the floor. Among those who spoke at the session were W. Voigt, life department agency supervisor, T. O. Ward, and W. Carl Dyer, life department secretary. President Maclellan summarized the highlights of the session.

At the dinner that evening, Mr. Miles

announced that the next convention will be at Havana, early in 1950.

B.M.A. Has Salt Lake Rally

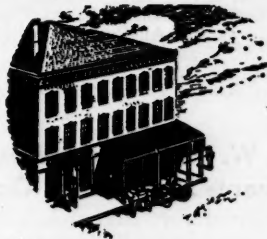
About 50 agents of Business Men's Assurance from Utah, Idaho and Montana attended a regional meeting at Salt Lake City, with Manager Walter M. Jones in charge. W. T. Grant, chairman, and J. W. Saylor, vice-president in charge of sales, were speakers. Dr. Royal Garff of University of Utah, spoke

at the banquet on "Habits of Work."

B.M.A. St. Louis Banquet

Business Men's Assurance held a banquet during the N.A.L.U. meeting at St. Louis attended by about 50. President J. C. Higdon was toastmaster and the speakers were Jack Morris, director of public relations and G. J. Tritch, field manager. The group applauded Clarence H. Robbins of Salem, Ore., million dollar producer, and Charles Cooper, recently promoted from District agent at Iola, Kan., to manager at Springfield, Ill.

Bert Hedges, Wichita manager, told



1867
1948

On January 25, 1867, the Equitable Life of Iowa was founded in Des Moines, then a frontier town of 8,000 people.

The 81 intervening years have witnessed the development of that pioneer enterprise into a national institution. In contemplating the completion of its first century of service, the Company will continue to conduct its affairs in the sound, constructive and progressive manner which Time has so thoroughly tested.

**EQUITABLE
LIFE of IOWA**

Founded in 1867 in Des Moines



Celebrating Our

20TH ANNIVERSARY YEAR

Over \$60,000,000 Insurance in Force

Over \$8,000,000 in Assets

A STRONG COMPANY BUILDING A STRONG WEST

Arizona
Idaho
Utah
Oregon

California
Montana
Washington
Territory of Hawaii

Colorado
Nevada
Wyoming

Openings in Choice Territories

HOME OFFICE

**PACIFIC NATIONAL LIFE
ASSURANCE COMPANY**

Ray H. Peterson
President

First South and Main Sts.

Kenneth W. Cring
Supt. of Agencies

Salt Lake City, Utah

of some of the N.A.L.U. activities. Mr. Higdon announced that life business for August was about \$7 million as compared to \$5 million the previous August.

Manhattan Has Valuable Rally

About 90 members of the Manhattan Club, general agents and home office personnel gathered this week at the Hotel Moraine, Highland Park, Ill., for the annual conference of Manhattan Life. Winners of the Manhattan Club award and president's trophies were honored by President J. P. Fordyce in a presentation ceremony.



J. P. Fordyce

There were a series of educational meetings at which leading producers spoke on their specialized subjects and the company's policies. Each talk was followed by discussion.

Home office personnel on hand in addition to Mr. Fordyce were: V. W. Edmondson, agency vice-president; Edward Fitzsimmons, recently elected secretary; Samuel H. Ackerman, chief underwriter; Mrs. T. Hanley, field auditor; Hermine R. Kuhn, first field assistant; Wendell Buck, assistant to the president; Michael Martel, purchasing agent; H. Steele, Jr., west coast supervisor.

President's trophy award winners

were Bernard L. Frischman, New York, Chicago branch office; Thomas R. Whittington, Long Beach, Cal., and J. G. Ranni, New York, was leading general agent in personal production and was first in paid for volume.

Wm. J. Schloen, Jr., Burbank, Cal., was first in paid for volume, in the Manhattan Club, and George W. Sloan, New York, was first in number of lives. First in number of combination lives and volume was Morris L. Harmelin, Newark.

First to qualify was W. A. Vorhauer of Chicago.

Mr. Fordyce gave the welcoming address Wednesday morning. Daniel P. Cahill, formerly of Manhattan Life, and now in charge of the Purdue marketing course, gave a talk. Burton T. Benson of Burbank, Cal., spoke on "Family Income as the All-Purpose Selling Aid." Other speakers included Mr. Schloen, Peter A. Peyser, Mr. Fitzsimmons and Miss Kuhn. The banquet came Thursday.

N. W. Mutual Life Western Agents Meet at S.F. Oct. 4-5

Northwestern Mutual Life will hold its first all-western agents' meeting in San Francisco, Oct. 4-5, for general agencies of California, Washington, Oregon and Utah, grouping the former northwest and southwest Pacific groups. Richard Shipley, San Francisco general agent, will be the host. The meeting will be similar to the north Atlantic states meeting held in January in New York City.

Grant L. Hill, vice-president and director of agencies, will head the home office contingent. It will include Elgin

Fassel, actuary, who will report on "The State of the Northwestern"; Paul Fraser, assistant director of underwriting, who will discuss "The Underwriting Situation Today"; Benjamin B. Snow, Jr., and Laffin Jones, assistant director of agencies, with sales messages.

Also on the program as leading west coast producers for Northwestern will be Charles Carey, Los Angeles; Virginia Wood, San Francisco; Morey Smith, Oakland; Bert Boyd, general agent at Spokane, and a special feature with Frances J. MacEntee, tax attorney of Los Angeles, discussing current trends in estate planning with reference to the 1948 federal tax law. Agents and their wives will be entertained at a dinner dance and floor show.

Agent Who Had Biggest Year at 78 Honored

The Henry W. Laffer agency of Northwestern Mutual at Wichita honored the 80th birthday of Irvin Renfrew, veteran Hutchinson agent, in connection with its fall agency meeting. W. B. Minehan, assistant secretary, represented the home office, and addressed the afternoon meeting on "Financial Problems that Everyone Has," followed by a question and answer period.

The evening dinner meeting was devoted entirely to honoring Mr. Renfrew, dean of Northwestern Mutual agents in Kansas, with 40 agents, their ladies and office assistants and guests attending. Five of the guests were old friends, business associates and policyholders of Mr. Renfrew from Hutchinson. Gerard Allen, Wichita, was toastmaster. Mr. Laffer spoke on Mr. Renfrew's Northwestern Mutual record and what it has meant to the agency. He said that in Mr. Renfrew's first 16 years with the company 1917-1933, he paid for \$4,634,625. That was prior to organization of the Wichita agency. In the 15 years since up to Jan. 1, 1948, he produced \$4,603,589 after he was 65, the age when most men retire. His best year was 1946 when he paid for \$627,250, when he was 78 years old. His average for the 31 years was over \$300,000, and in addition he placed a considerable amount of substandard

business make the Northwestern. Renfrew responded on what the Northwestern had meant to him.

Mr. Minehan also presented a 30-year service pin to Frank Templeton of Great Bend and certificates of completion of the company's short course to the two newest agents, Paul Lessig and Henry Enz.

Harry Crooks was presented a brief case as agency leader for August and Mrs. Crooks an orchid.

Reliance 1949 Conventions

Reliance Life announces that four regional conventions are to be held in September, 1949, at Tahoe Tavern, Lake Tahoe, Cal.; Moraine Hotel, Highland Park, Ill.; Ocean Forest Hotel, Myrtle Beach, S. C., and Shawnee Inn, Shawnee, Pa.

RECORDS

Minnesota Mutual—Assets passed the \$100 million mark Aug. 31, this being a 9½% gain over the Dec. 31, 1947, figure. Insurance in force now totals \$538,791,415, a gain of more than \$46½ million in the first eight months of 1948. Examined business increased 20.3% during August as compared with the same month a year ago. New business examined totaled \$14,414,785. Paid business in August was 26.9% larger than August, 1947. Paid business for the year was \$85,222,101 at Aug. 31.

BUSINESS MEN'S ASSURANCE—New paid-for business for August was 38% ahead of the same month last year. There was an increase in new paid-for life of 33.1%, bringing the total gain for the year to 18.8%.

LAMAR LIFE—August sales were 86% greater than in 1947. Insurance in force exceeds \$125 million, an increase of \$7 million from Dec. 31.

BANKERS LIFE OF IOWA—New business paid for in August totaled \$12,893,846, an increase of \$977,516 over the same month last year. Of this total \$10,335,346 was ordinary and \$2,558,500 group. The increase in the sale of ordinary was \$1,270,766.

Insurance in force at the end of August totaled \$1,340,506,709 of which \$1,137,956,120 was ordinary. This is an increase for the year of \$58,584,163.

McLain Says Guardian Will Double Salaried Recruits

ST. LOUIS—During 1949 Guardian Life plans to double the number of salaried agents that it hired in 1948, James A. McLain, president of that company, told the members of the Sales Managers Bureau of St. Louis Chamber of Commerce at a luncheon. He said that since the company introduced the salaried-agent plan not quite three years ago and then only on a very limited basis, it is still too early to draft final conclusions and the venture is still in the experimental stage. The salaried salesmen last year accounted for slightly better than 13% of total production, McLain continued. For the first seven months of this year, 14 of the top 50 producers in the company are salaried salesmen.

Mr. McLain said there is a new look in life insurance merchandising in 1948. Coverages are increased and streamlined, new policies are available to meet new needs. The new look in underwriting has made quality important rather than quantity. More and more companies are not only recognizing their responsibility to build a sales staff manned by career agents, but they are doing something about it.

Mr. McLain was introduced by Joseph T. Peterson, president Life Underwriters Assn. of St. Louis, and manager of Guardian.

and other business with other companies.

Mr. Allen spoke on what Mr. Renfrew had meant to the individual agent and presented him a wardrobe traveling case from the agents.

Mr. Minehan spoke on "What Irvin Has Meant to the Company" showing how life insurance fits into the American way of life and how agents like Mr. Ren-

New Reliance Life Unit

Reliance Life has established a northeast Pennsylvania department with headquarters at Wilkes-Barre. William J. Dowd, formerly associate director of training in the home office, is manager. He has been with Reliance Life 22 years.

Hancock C.L.U. Elects

Edward E. Beason of Birmingham, Ala., was elected president of the John Hancock C.L.U. Arthur H. Dalzell, coordinator of sales promotion, was elected vice-president, and William B. Hoyer of Columbus, O., secretary-treasurer. Directors are Benjamin Hunt, Boston; Ray O. Woods, Indianapolis, and Hans O. Clasen, Seattle.

To Hear Okla. Law Dean

Oklahoma C.L.U. chapter will meet Sept. 27. W. Page Keeton, dean of the law school at the Oklahoma University, Norman, will speak.

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Accident — Health — Hospitalization
An indispensable adjunct to Home Office, Branch Office, Underwriting and Claim Departments. Equally indispensable in training old and new life, accident and health agents in the profitable method of field underwriting.

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NEWS OF LIFE ASSOCIATIONS

Russel Moore Always Insists on Telephone Date

"If you have a telephone appointment with a prospect it means that the prospect has already made up his mind to part with his money if you can give him a real reason for doing so," said Russel H. Moore of Mutual Benefit at Lansing, Mich., at the meeting of the Pittsburgh Life Underwriters Assn.

Mr. Moore is a member of the App-a-week Club and has more than 600 consecutive weeks production to his credit. During that time he has averaged \$6,200 of insurance per application. Each application has been prepaid, and he has never had a "not taken" policy.

He said he insists on telephone appointments because in this way he makes arrangements to talk insurance to a man who is interested and who expects to be interviewed by an expert without interruption. Without such an appointment, Mr. Moore refuses to call on a prospect. Furthermore, he arranges the time of his appointment so that the children will be in bed and not interrupting the flow of ideas.

First Job Is to Resell

He told the Pittsburghers that his first job in an interview is to resell the prospect on the insurance that he already has. He said this is necessary because otherwise you cannot ask a man to buy more of something that he is not thoroughly sold on. If criticism is directed at the policies the prospect now owns, it means that you are criticising his judgment, and consequently the prospect refuses to make another decision on the same subject which may be just as wrong as the decision he made on the original policy. Consequently, a reselling job on the options and values of the policies he now possesses is essential at the beginning of the interview. If a man can be made to be happy with the policies he already owns, then and only then is it possible to get him to increase his holdings, said Mr. Moore.

One of the standard statements Mr. Moore makes which is psychologically good in every interview is to say, "Undoubtedly you are in a better position now to pay for insurance than when you bought your last insurance." Usually the prospect agrees and the stage is set to add to his premium outlay.

Mr. Moore says there is only one reason for the prospect not buying at this time and that is because he doesn't want to write a check today and not because he doesn't want the policy, because most prospects desire the benefits wrapped up in a life insurance policy, but they want to hang on to their money a little while longer. They all intend to purchase more insurance provided you have given them a reasonable reason for doing so. Consequently, all that is necessary to get the application after a good presentation has been made is to give sufficient reasons for acting now and to point out the difficulties that may follow postponement.

To Hold Southeast Kansas Sales Congress Oct. 7-8

The southeast Kansas sales congress will be held Oct. 7-8 at Chanute with the Allen-Neosho County Life Underwriters Assn. as host. T. H. Crone-meyer, Chanute, is in charge of hotel reservations.

General agents and managers will meet the evening of Oct. 7 for a dinner. Speakers will be H. V. Party, Metropolitan manager, Pittsburg, on "Organization" and Wylie Craig, Aetna general agent, Kansas City, on "Recruiting." Both will be followed by discussions.

The sales congress opens the morning of Oct. 8. Speakers include Rex Lear,

Salina, president Kansas Assn. of Life Underwriters; Ray T. Wright, Provident Mutual, Lawrence, Million Dollar Round Table and newly elected N.A.L.U. trustee; E. E. Amick and Commissioner Frank Sullivan.

Life people from northeast Oklahoma, northwest Arkansas and southwest Missouri are invited and an attendance of more than 300 is expected.

Wood Awarded Orr Trophy at S. F. Assn. Meeting

R. Edwin Wood, Phoenix Mutual Life, was awarded the O. O. Orr trophy at the Sept. 16 meeting of San Francisco Life Underwriters Assn. for his "consistent and continuing efforts" in behalf of the organization.

At the same meeting, quality award certificates were presented to 84 members and 100% membership certificates to 19 agencies.

W. W. Bullwinkel, Jr., Guardian Life, new vice-president representing personal producers, presided in the absence of President Homer E. Anderson, New York Life, who was attending a company convention at Sun Valley.

A resolution in tribute to the late Alexander E. Patterson, president of Mutual Life, was adopted.

O'Sullivan Okla. President

Neal O'Sullivan, Equitable Society, was advanced from vice-president to president of Oklahoma Assn. of Life Underwriters by the directors. He succeeds Edward E. Waller, former Oklahoma manager of Mutual Life, recently transferred to Chicago. The board appointed William J. Newblock, General American, vice-president to fill the vacancy made by the advancement of O'Sullivan.

The first fall meeting is scheduled for Sept. 24.

So. Cal.-Ariz. Parley Set

The southern California-Arizona conference of N.A.L.U., will be held at Beverly Hills, Cal., Oct. 11-12, with headquarters at the Beverly Hills Hotel. It is expected that Clifford H. Orr, new president of N.A.L.U., will be in attendance.

Announce L.U.T.C. Courses

L.U.T.C. courses for Atlanta and St. Louis to start the last week in October, have been announced. William T. Kiefer of the Northwestern Mutual Life will be instructor at St. Louis.

Parsons, Kan.—Louis DaHarb, New York Life, has been named president succeeding Tom Conroy. Rev. James Behler was speaker.

Dodge City, Kan.—Ralph Cochran, Equitable Society, has been advanced to president succeeding Justine Fortune, who has been transferred to Wichita. C. W. Hewes was speaker on estate and gift taxes.

Kalamazoo, Mich.—The national quality award is being presented to 15 members Sept. 24 by Mayor Henry Ford, Jr.

Freeport, Ill.—John Calfa, Prudential, Chicago, spoke on "Cost vs. Return."

San Jose, Cal.—J. Roger Deas, director nat'l conference Christians & Jews, spoke on "Insuring our Future."

Wichita—At a luncheon meeting Sept. 9, Dean Frank T. Stockton of the extension department of University of Kansas was speaker. More than 100 were in attendance. The 11 Wichita C.L.U. members and some 25 others now enrolled in C.L.U. courses were honored at a special table. Herbert P. Lindsley, former educational chairman, spoke in behalf of the C.L.U. classes which will again be conducted by the extension department of U. of K.

Beloit, Wis.—Southern Wisconsin Assn. of Life Underwriters, meeting here, adopted a resolution to be forwarded to the governor urging the appointment of Burger M. Engbretson, Beloit agent and legislator, as insurance commissioner.

Gov. Renneholm recently appointed John L. Sonderegger as temporary commissioner, following the death of Morvin Duell.

Earl Rice, chairman educational committee, announced that a life insurance course will be presented at Beloit College, open to agents and their employees, and Prof. C. G. Foster of the college outlined the course of study to be presented. The November meeting will be at Janesville.

Topeka—Paul Raymond of Manhattan spoke at the Sept. 11 meeting, relating some of his experiences during his 26 years in the business. C.L.U. courses being given at the night school of Topeka high school starting Sept. 13 were announced.

Lexington, Ky.—C. Brainerd Metheny, general agent of Fidelity Mutual Life at Pittsburgh, spoke on "Magic of Life Insurance".

Niagara Falls, N. Y.—John H. Chapin, attorney for the New York state tax commission, spoke on "Sit down with your lawyer and life underwriter."

Des Moines—Ross M. Trump, assistant dean of the American College, discussed its educational program.

Austin, Tex.—Mrs. Marie Q. Chambers, director of the licensing section of the life insurance division of the Texas department, was guest speaker. She was accompanied by Mrs. Marvin B. Butler, policy analyst, whom Mrs. Chambers asked to answer questions concerning confusing clauses in accident and health policies.

Mrs. Chambers reviewed briefly the work of her department in checking on complaints from agents and associations. She expressed appreciation of the work of the associations and stressed the importance of care in filing complaints with as much detailed information as is available so that the investigators may be able to follow through.

NEW YORK

S. R. WAYNE IS PROMOTED

The Einstein & Salinger agency of Mutual Benefit at New York has named Stanley R. Wayne as agency assistant. He started with the agency in 1945 and has made an excellent production record. He is on the board of field underwriters of New York City Life Underwriters Assn. and is on the administrative committee.

BEERS BEFORE NASHMEN MEN

William H. Beers, associate general agent of New England Mutual at Rochester, will address the Lee Nashmen agency of Mutual Benefit Life at New York City Sept. 27 on "Creating Confidence in the Selling Process."

CHICAGO

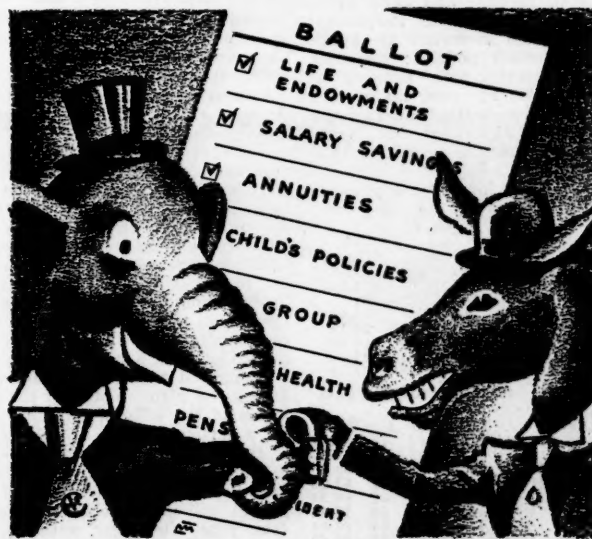
TALKS ON EFFECTIVE WRITING

John E. Thiele and Herbert T. Hedden of Prudential will discuss that company's course in effective writing techniques at the Sept. 30 dinner of the Society of L.O.M.A. Graduates, Gramercy Park Hotel, New York.

ANNUITY PURCHASES INCREASE 50%

Purchase of annuities has increased 50% in the last five years, Elsie Matthews, general agent of Manhattan Life at Montclair, N. J., told the Women Life Underwriters of Chicago at a luncheon Monday. People are

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Multiple Lines Mean Prosperity for the Insurance Salesman...

General American Life has the winning ticket with strong candidates on Ordinary, Group and Commercial Accident and Health slates.... General American Life has just about every kind of contract. There are Life and Endowments in both Annual and Single Premium... Term... Annuities, both annual and single premium, immediate and deferred... Juvenile... Salary Savings... Pension Trusts. The General American Life man is the man with the plan for every insurance need... he's the candidate who is likely to succeed! You're ALWAYS IN BUSINESS... because you're in business ALL WAYS with

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WALTER W. HEAD, PRESIDENT

SAINT LOUIS

rushing to buy annuities because of tax advantages and the problematical future of other investments in a shifting economy. She also commented on the increased sale of life insurance for educational purposes, saying that this development is due to the 30 to 50% rise in educational costs. She reviewed talks by women at the St. Louis convention of N. A. L. U. Elsie Matthews was one of the first woman general agents appointed by an outstanding company. Mrs. Laura G. Smith, president of the group, presided.

POLICIES

Group Annuity Rates Reduced

Bankers Life of Des Moines announces a reduction in group annuity rates on contracts issued on and after Sept. 24. The new rates will be based upon the 1937 standard annuity mortality table without setback, using an interest assumption of 2 1/4% and the customary expense factor.

Bankers Life Company arrived at this decision after being convinced of the desirability of a change by evidences of stabilizing interest rates and an analysis of present group annuity results.

New Contracts Added By Life of Georgia

Life Insurance Company of Georgia has added three ordinary contracts to its agency portfolio: a 30-year endowment at adult ages, a ten-pay life at juvenile ages, and a life paid up at 65 issued at both juvenile and adult ages.

Premium waiver, double indemnity, and travel accident insurance are available with the adult policies; premium waiver is available with policies at juvenile ages. The life paid up 65 and ten-pay life provide death benefit of the full face amount from age one; from age zero to age one the benefit is \$250 per \$1,000.

Annual premiums for the new juvenile policies follow:

Pd-Up	10	Life	10
Age	Age	Age	Age
0 \$10.51	\$30.73	8 \$12.01	\$34.12
1 10.57	30.83	9 12.29	34.75
2 10.70	31.11	10 12.60	35.43
3 10.87	31.50	11 12.91	36.14
4 11.07	31.94	12 13.26	36.88
5 11.28	32.44	13 13.61	37.62
6 11.50	32.96	14 13.98	38.39
7 11.75	33.52		

At adult ages, premiums for life paid-up at age 65 are:

Age	Prem.	Age	Prem.	Age	Prem.	Age	Prem.
15	\$14.38	26	\$19.23	37	\$28.93	48	\$51.81
16	14.71	27	19.83	38	30.23	49	55.37
17	15.07	28	20.48	39	31.66	50	59.30
18	15.43	29	21.17	40	33.18	51	63.79
19	15.83	30	21.88	41	34.87	52	68.94
20	16.24	31	22.71	42	36.67	53	74.95
21	16.68	32	23.59	43	38.61	54	82.04
22	17.13	33	24.52	44	40.64	55	90.59
23	17.61	34	25.51	45	42.84		
24	18.12	35	26.57	46	45.59		

Ostheimer Frowns on Uninsured Plan

(CONTINUED FROM PAGE 3)

tirely from the employer's province, Mr. Ostheimer said: "At first glance there would appear to be quite a difference between 2% and 2 1/4% guaranteed interest rates currently offered in connection with group annuities and a 2 1/4% rate, which is usually the lowest rate considered seriously by uninsured plan exponents, or even some higher rate which the adherents of uninsured plans frequently assume can be earned, net. However, in the event the guaranteed rate of interest used for an insured plan proves to be too conservative by actual experience, the crediting of excess interest to the plan would influence the company's dividend formula."

Cites Advantages

An insured pension plan offers certain advantages which can be important offsets to any interest rate differential, Mr. Ostheimer declared. He pointed out that on the date the insurance company receives each premium payment under an insured plan, interest starts to accrue at the guaranteed interest rate; an insured plan's funds are commingled with all other funds. In an insured plan the guaranteed interest rate is net after all investment expenses and after allowing for amortization of premiums or discounts; in an uninsured plan the payment of investment expenses affects the gross yield of the portfolio and so may the method of evaluating security holdings. In an insured plan the insurance company guarantees both the safety of principal and the rate of interest provided because of its agreement to pay—at specific future dates—the precise benefits which have been purchased by the employer's contributions and the guaranteed interest thereon; in an uninsured plan there are no such guarantees.

Comparing expenses, Mr. Ostheimer declared that widespread misconceptions exist with respect to the 8% loading charge currently used in group annuity contracts, saying that an analysis of the annual statements for the past 10 years of the insurance companies with the bulk of the group annuity business shows that their group annuity expenses (including taxes and commissions) for the period have been about 3% of their group annuity premium income, while figures on uninsured plans have led him to the conclusion that the aggregate expenses of such a plan may approach, or even exceed the expense factor used in an insured plan. Yet after the employer has paid the bills of an uninsured plan for a particular year, he still has no protection against future expenses.

"Even if contributions to the plan are discontinued, the bulk of the expenses will nevertheless continue to accrue year after year until the pension fund is fully and finally distributed," he said. "Either the employer must un-

derwrite these items or the pension fund will have to pay them with resultant diminution of the fund which was supposedly created to pay annuities to retired and retiring employees."

Every factor which can affect the outlay estimates and true costs of an uninsured plan is subject to fluctuation as events develop in the future and there is no practical way for the employer to terminate the plan with finality, Mr. Ostheimer asserted.

"The final condition of the fund and the final cost cannot be known until the last benefit has been paid—perhaps 50 to 75 years after the last new participant was admitted to the plan," he said. On the other hand, under an insured plan the minimum interest rates stated in the group annuity contract and the mortality table used in computing the basic premium rates are guaranteed as to all annuities actually purchased at such rates, as are the safety of principal and the maximum charge for expenses.

Little Danger for Large Group

Mr. Ostheimer feels there is no particular danger in an uninsured pension plan for an employer with a very large group of employees but he said that if actuarial assumptions used in the plan are conservative and all inclusive it should mean that the potential savings in outlay to the employer would be small at best. For an employer with a small or intermediate sized group there is lit-

tle possibility that any worthwhile savings in true long-term costs can be realized through the use of an uninsured plan, he said.

He declared that the use of an uninsured plan for the purpose of obtaining a lower original outlay than that quoted for an insured plan is unsound because of the risks which must be run and the fact that future payments will almost certainly reflect the employer's attempt to hold down his original outlay. The present general economic and tax situation would also indicate that outlays should be maintained at a reasonably high level, Mr. Ostheimer added, so as to build up possible credits for future use when the economic and tax pictures may be substantially less favorable.

"No insured pension plan has fallen into financial difficulties, which is a statement that cannot be made with respect to uninsured plans," Mr. Ostheimer concluded. Most of the employers whose uninsured plans have become insolvent in the years gone by—and there have been lots of them—could lay their troubles at the doorstep of either their consultants who, in their over-enthusiasm, failed to warn sufficiently against the limitation of their own advice and the risks inherent in the undertaking they urged or their own management who failed to follow the advice of their consultant's due to a lack of appreciation of insurance fundamentals and experience."

Eyes Problems of Life Blank Revision

(CONTINUED FROM PAGE 3)

events leading to the present revision, going back as far as his own paper at the American Institute of Actuaries in 1937.

The depression was in full swing. Big business had been put on the spot. The TNEC investigation was begun in 1941. One of its special investigations had to do with life insurance and one of its criticisms had to do with the form of our financial statements. Some, but not all of that criticism was misdirected.

The Securities and Exchange Commission had been interesting itself in the financial statements of corporations in general, establishing principles and laying down new regulations. The federal income tax had been a growing factor in the development of better corporation accounting practice. There was an increasing tendency in the life insurance industry among officials and accountants to criticize the form of the life insurance statement and there were rumors that interested organizations were considering the advisability of appointing a committee to study the possibilities of revision.

Gain and Loss Exhibit.

Proposals emanating from the companies had resulted in a rather radical revision in the gain and loss exhibit in 1939—a definite forerunner of the change involved in the more recent and comprehensive proposal.

Shortly after the joint committee of the Life Insurance Assn. and the American Life Convention decided to begin their study, they learned that the National Assn. of Insurance Commissioners had appointed a special committee to consider the desirability of a general revision of the life statement.

More recently, the Supreme Court decision in the Southeastern Underwriters Assn. case led immediately to the conclusion that the states must take their responsibilities seriously, particularly in so far as they involve casualty and fire insurance rate making.

The New York insurance department made known its conviction that there was need for more uniformity in accounts and set up a special unit which began an extensive study of this subject as applied to fire and casualty insurance. Early in July the New York department promulgated regulation 30, prescribing uniform practices to be followed in handling of accounts. By implication, at least, the regulations

point to changes in the fire and casualty statement forms, and this problem has already been called to the attention of the N. A. I. C. blanks committee.

Something over a year ago New York passed a law authorizing casualty and fire companies to transact both casualty and fire business. This made it necessary to devise a single statement form which would accommodate both lines of insurance. Casualty and fire companies have had a committee engaged in this work for some time. About a year ago this committee published a proposed revised form. Many of its features parallel those in the revised form for life companies.

Some time ago the Canadian Life Officers Assn. appointed a committee to consider a revision of the Canadian form of life insurance statement.

The inescapable conclusion to be drawn from this entire sequence of events is that a major revision of the life statement was an inevitable product of the times. It may be pertinent to observe that catastrophic events such as major economic depressions and world wars make us more receptive to change than we seem to be when life is less turbulent.

Too often needed reforms have been deferred until the last avoidable minute and have had to be enacted in haste and under pressure. On this occasion the life companies have made a timely contribution in the form of a study embodying the best which their talents and experience have to offer.

Manufacturers Pioneer in Canadian Rental Housing

Using a design created by the housing research section of its own mortgage department, Manufacturers Life has become the first Canadian company to build residential property for rent. Selecting a site in a good Toronto area, the company erected a six-family "terrace-type" house which has been occupied for several months by six veterans and their families. The design has proved popular and has attracted favorable attention both from the public and the construction industry.

"Canadian Homes & Gardens" describes the house in a recent article and comments on the significance of the development.

THREE BASIC PERSONAL COVERAGES FOR YOUR CLIENTS

1. All standard forms of Life (ages 0 to 60)
2. NON-CANCELLABLE Health & Accident (ages 16 to 50)
3. NON-CANCELLABLE Hospitalization (Individual or Family—ages 3 mo. to 55)
 - a. Medical Attendance Indemnity Rider
 - b. Surgical Indemnity Rider

Liberal 1st & 2nd year commissions, plus 8 regular renewals, lifetime service fee, Social Security and Guaranteed Retirement Pension Plan.

Openings in North Dakota, Montana, Wyoming, Oregon, South Dakota, Idaho, Iowa and Utah for General Agents and Agents.

PIONEER MUTUAL LIFE INSURANCE COMPANY

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FARGO, NORTH DAKOTA

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Orr Takes Helm of N.A.L.U.

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were asking for—and received in a full-throated chorus.

Nevertheless there were some adherents of the dues increase who felt that those running the show were too quick in cutting loose with the heavy artillery before giving the opponents a chance to have their say and felt that the posthumous reading of the report prepared by Mr. Barton, who was held in the highest regard both personally and as a treasurer, would have been sufficient to silence any opposition, but that if there were some who wanted to talk against the measure it would have been better to let them state their position and then if necessary, counter with a powerful rebuttal.

All five of the agents on the trustee ticket were elected. This means that there is a two-thirds majority of agents on the new board and that even taking the board and the officers together the agents account for half the combined personnel.

The trustee election was without acrimony. All nominating and seconding speeches were well done and all the candidates appeared excellently qualified to serve if elected. The controlling factor in the defeat of both the losing candidates was regarded as being the same for both—both were agency heads on the same slate with personal producers from their own companies.

Geographical Factor Loomed Up

In the case of D. D. Edmunds, Equitable Society, Birmingham, there was also the fact that there were three other southerners on the ticket, one of them, John R. Humphries, Provident Life & Accident, Chattanooga, a personal producer, while the other two, Herbert R. Hill, Life of Virginia, Richmond, and W. Ray Moss, Louisville, were up for reelection, which normally gives a candidate a decided edge. The fact that Charles J. Currie, Mutual Life, Atlanta, was already a member of the board may also have been a factor with national council members who had geographical distribution of trustees in mind.

Newell C. Day, Equitable of Iowa, Davenport, the other defeated trustee candidate, was running against a strong contender in Verne C. Gilbert, an agent at Portland, Ore., of the same company. Mr. Gilbert was on the nominating committee's slate last year but lost out. Mr. Day was not helped any by the intra-Iowa disagreement over whether to support him or C. V. Shepherd, National Life of Vermont, Cedar Rapids. Although Mr. Shepherd withdrew a few hours before the nominating committee submitted its report, he made it clear that he was not throwing his support to Mr. Day. Whatever may have been the effect of the Iowa split—which undoubtedly was the reason why Mr. Day was nominated from the floor rather than by the nominating committee—the fact that there was an Equitable of Iowa personal producer in the race is regarded as the underlying reason why he missed being elected, for he was a dynamic president of the state association and widely known as a speaker before underwriters associations.

FRICTION AVERTED

The compensation committee's decision to recommend appointment of a committee to confer with the company organizations on agents' compensation contracts started out as a highly controversial matter, for the Detroit association wanted a resolution adopted that would have expressed quite a truculent attitude toward the companies. The committee idea was a compromise and was adopted as a means of accomplishing the Detroiters' basic aims without stirring up needless friction.

Incidentally, the dispatch with which the national council was able to conduct its deliberations was credited in consid-

erable measure to the fact that every member had received the printed committee reports long enough in advance to study them thoroughly and so be familiar with what was being discussed. Also, having the reports in advance made it readily possible for the council members to sit in at committee meetings where they had views to express and get any points of difference settled in committee, for the most part, without having to take the time of the national council.

Nominating Committee Named

The nominating committee for the 1949 annual meeting will have a full year in which to consider names of candidates. The new committee was elected at the final business session Friday afternoon, instead of at the 1949 midyear meeting. It includes Frank Andrews, agent Jefferson Standard, Greensboro; William S. Leighton, agent New York Life, Minneapolis, immediate past president American Society of C.L.U.; James D. Edgecomb, general agent John Hancock, Fort Worth; Hollis L. Woods, general agent Mutual Benefit Life, Hartford; Arthur F. Prieb, agent Penn Mutual, Rockford, Ill.

Registrations for the convention were almost exactly 2,000 but these include some wives and others who are not counted in determining attendance records. The exact figure will not be known until the National association checks through the registration records to see how many are entitled to be counted in making the final official tally. The record, set at the golden anniversary convention at St. Louis in 1939, is 2,244.

Clancy D. Connell, Provident Mutual, New York City, chairman resolutions committee, presented memorial resolutions on three of N.A.L.U.'s outstanding leaders who died in the last year: George D. Lackey, general agent of Massachusetts Mutual at Detroit, Alexander E. Patterson, president of Mutual Life, and Walter E. Barton, Union Central, New York City, who was just completing eight years as N.A.L.U. treasurer when he died Sept. 13.

Company Dinners

Following are some of the company dinners that were given at the St. Louis convention of N.A.L.U., with names of home office representatives on hand for each:

Northwestern National—W. F. Grantz, agency director, and Henry Atwood, agency secretary.

Equitable Society—Alvin Dalager, 2nd vice-president; Gordon K. Smith, director of the special services division; and Clarence Metzger, educational director.

Aetna Life—Robert B. Coolidge, vice-president; Donald Hanson, superintendent of agencies; and N. M. De Nezzo, J. Denny Nelson, and Arwood Henderson, assistant superintendents of agencies.

Business Men's Assurance—J. C. Higdon, president; Jerry Tritch, supervisor of field service, and Jack Morris, director of publicity.

Central Life of Iowa—E. H. Mulock, president; William Poorman, executive vice-president; Martin I. Olson, vice-president and medical director; Francis Merritt, superintendent of agencies; Norman Fuhlrott, actuary; R. C. Campbell, agency secretary; W. H. Pones, and Carl Zimmerman, supervisors, and Vernon Remer of the agency department.

Connecticut Mutual—Vincent B. Coffin, vice-president; George F. B. Smith, agency vice-president; and E. C. Andersen, superintendent of agencies. The dinner marked the 40th anniversary of Stratford L. Morton as general agent in St. Louis and the 100th anniversary of the St. Louis agency.

Equitable Life of Iowa—Ray Fuller, vice-president; E. E. Smith and E. E. Cooper, assistant vice-presidents; A. S. Anderson, secretary; George Hamlin, agency director, and H. S. Jacobs of the agency department.

General American—Frank E. Agnew, Jr., Otto J. Burlan, Stanley M. Richman, Frank Vesser, Emil E. Brill, and J. Gregory Driscoll, vice-presidents; P. B. McHaney, vice-president and general counsel; H. F. Rollett, secretary; D. Allan

Sheppard, assistant secretary; L. Wayne Kauble, group supervisor; Eugene V. Boisabuin, salary savings manager; and Harry E. Nelson, advertising manager. Ray Ely, group actuary; Martin J. Mullen, director of publicity; and Charles Fritzsche, educational director.

Great-West—David Kilgore, superintendent of agencies, and John Nettlefield, assistant superintendent of agencies.

Guardian Life—James A. McLain, president; F. F. Weidenborner, vice-president and superintendent of agencies; John Slattery, director of public relations; and George Mendes, director of agencies.

Jefferson Standard—M. A. White, vice-president, and Karl Ljung, manager of agencies.

John Hancock—Radeliffe Massey, manager of general agencies; Frank B. Maher, director of agencies; and George Thompson, Jr., superintendent of agencies.

Kansas City Life—Dallas R. Alderman, vice-president; C. W. Arnold, superintendent of agencies; and Lee Fitzgerald, regional supervisor.

Massachusetts Mutual—Chester O. Fischer, vice-president; James M. Blake, manager of field service, and Robert J. Ardison, assistant superintendent of agencies.

Metropolitan Life—Karl H. Kreder, assistant vice-president; W. W. Hartshorn, superintendent of agencies central territory; Clifton E. Reynolds, superintendent of agencies southwestern territory; Max C. Fisher, assistant secretary; Earl Trangmar, administrative assistant.

National Life of Vermont—L. Douglas Meredith, executive vice-president; D. Bobb Slattery, vice-president and superintendent of agencies; H. E. Pierce, secretary; Karl Gummi, assistant superintendent of agencies; A. H. McAulay, director of selection, and Norman Smyth, agency assistant.

New England Mutual—George Hunt, agency vice-president.

New York Life—Walter Weissenger, assistant vice-president; and Dick Oliver, inspector of agencies at large for the mid-west.

Northwestern Mutual—Grant L. Hill, vice-president; L. J. Evans and William Griffin, assistant directors of agencies; and Harold Gardner, educational director. Ethan A. Shepley of St. Louis, a trustee, was a guest.

Occidental Life—George Shipley of Chicago, vice-president; Lester Roscoe, educational director, and Joseph Schwartz, pension trust specialist.

Provident Mutual—C. Sumner Davis

and Nelson A. White, assistant managers of agencies; William Owen, assistant editor of publications; and Richard Benson, agency department.

Prudential—Sayre McLeod, vice-president in charge of ordinary agencies; Eugene Kelly, superintendent of agencies, industrial department; R. J. Murphy, superintendent of ordinary agencies; Kenneth Foster, director of research; and Donald E. Bishop and Howard Austin, regional managers in the ordinary agencies department.

Explain Prudential Letter Writing Course to L.O.M.A.

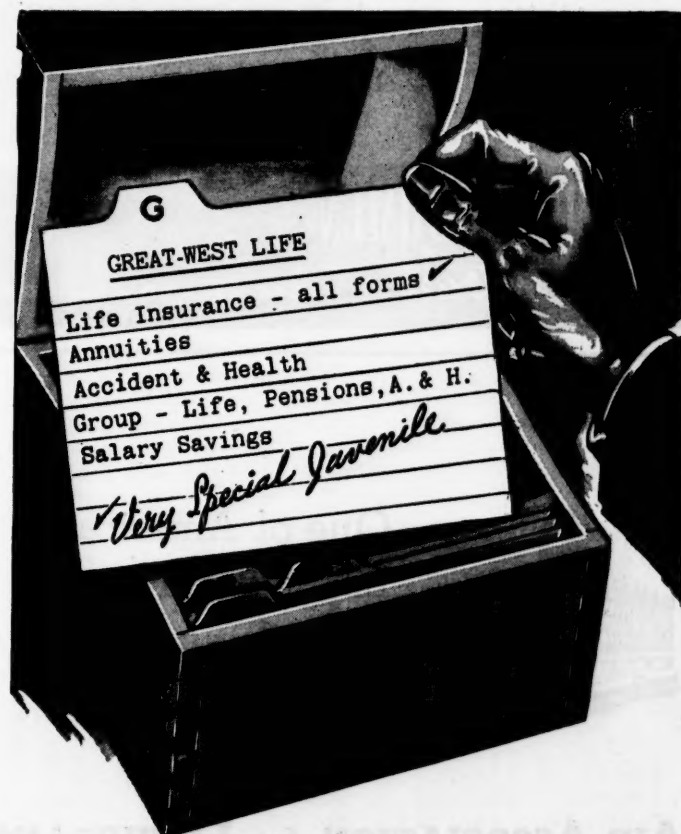
Two Prudential home office men demonstrated to the Life Office Management Assn. at Chicago their company's training program in effective letter writing techniques. John E. Thiele, senior methods analyst, described overall aspects and Herbert H. Hadden Jr., methods analyst, showed a filmstrip of the course.

Prudential began teaching letter-writing and studying correspondence techniques to introduce new efficiencies into letter-writing and to gain additional good-will for the company. A formal course is given employees, and after graduation, a letter auditing service is applied to check on the continued results of the training. Instruction has extended to top executives and 2,300 office employees have so far taken the course. A Writers' Advisory Service reviews correspondence written in various departments of the company.

The film strip developed the two-fold purpose of the course—to build good will for Prudential through the business letter, and to offer to all dictators practical suggestions for making their writing more effective.

Minimum Benefits Parley

Commissioner Downey of California has called a meeting of the National Assn. of Insurance Commissioners subcommittee on minimum A. & H. benefits for Chicago Oct. 20.



GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE-WINNIPEG, CANADA

A Billion Dollar Company Established 1891

State Congresses Section Program Complete

Program for the annual meeting of the state congresses section Sept. 28 at the Pittsburgh convention of National Fraternal Congress was announced by Louise Patrick, Woodmen Circle, Philadelphia, secretary-treasurer. H. C. Fabian of W.O.W. Life at Atlanta, is president. Helen O'Brien, A.O.U.W. of Washington, Enumclaw, Wash., first vice-president, is in line for advancement.

Morning and afternoon sessions will be held, and a luncheon. President T. W. Midkiff of N.F.C. and John Eibeck, president Pennsylvania Congress, will greet the section, with response by Miss O'Brien. After a roll call of state congresses' representatives, Dr. Herbert B. Kennedy, medical director of W.O.W., Omaha, will speak on "The Lodge System Will Work If You Work the Lodge System."

After luncheon, Alden C. Palmer, R. & R. Service, Indianapolis, is to speak on "Public Relations." A business ses-

sion follows with reports, election and installation of officers. Installation will be by Mrs. Ethel H. Hall, treasurer Woodmen Circle, Omaha, and section past president, with Mrs. Edna E. Dugan, vice-president Degree of Honor, St. Paul, as attendant.

Programs for the press section meeting Sept. 28 and the annual gathering of Fraternal Field Managers Assn. Sept. 27 also are announced. H. G. Benz, Aid Assn. for Lutherans, Appleton, Wis., will preside over the field men. President T. W. Midkiff of N.F.C. is to extend greetings. W. C. Brudi, superintendent of agencies Lincoln National, will talk on "Profitable Selling," and a panel will follow on "Sales Aids," participated in by J. R. Sims, W.O.W., as chairman; Mrs. Mary Baird, Woman's Benefit; Joseph Miedemann, Catholic Order of Foresters, and Harold Allen, Fidelity Life.

In the afternoon, J. E. Little, Macabees, will tell about the proposed FIC

section. A. D. West, vice-president and secretary of Reliance Life, is to talk, and a panel on "Sales Meetings" will ensue. Thomas O. Hertzberg, Fidelity Life, will be chairman, and participants will include Joseph Spencer, Protected Home Circle; Miss Louise Patrick, Woodmen Circle, and W. Cable Jackson, Modern Woodmen. The business session, election and installation of officers will follow, and after adjournment the executive committee will meet.

Mr. Benz also is president of the press section. After greetings by President Midkiff, details of the program of the exhibit of societies' sales promotional material and publications will be told by Harold Allen, who is chairman of the exhibit committee. H. R. Freitag, Modern Woodmen, and R. E. Jeannes, Royal Neighbors.

In the afternoon there will be discussion of individual exhibits, reports of officers, election and installation, the latter by H. R. Rosenblum, W.O.W.

YOU HAVE "READY MADE" CONTACTS IN EVERY COMMUNITY

WHEN YOU'RE WITH THE
MODERN WOODMEN FIELD FORCE



More than 8000 local camp secretaries, who collect payments from members, are valuable aids for agents in the acquisition and conservation of business. Friendly and well-known in his community, the camp secretary is a "natural" as a center of influence.



Many profitable leads also come from the more than 420,000 adult and junior members, affiliated with camps throughout the nation. Local camp activities publicize and advertise the Society to non-members. These "door-openers," plus a modern agents' training program, help establish the Modern Woodmen field man in an interesting and well-paying profession.

MODERN WOODMEN
OF America

ROCK ISLAND - ILLINOIS



One of America's
Leading Fraternal
Life Insurance
Societies

Aid Association for LUTHERANS
APPLETON, WISCONSIN

Overcoming the Hot Weather Jinx



In spite of the summer slump period of July and August a selling campaign with a golf game as its theme produced for Central Life of Des Moines the largest volume of new business ever recorded for a similar period. When the score cards were totaled, \$5,373,000 of new business had gone on the books.

This company set about to prove the fact that summer slumps are not inevitable.

Brochures were issued weekly, profusely illustrated comparing difficult shots with difficult prospects, how to approach both the green and the prospect, how to drive the ball and yourself, and many other derivations together with competitive standings. The field men were divided into six groups represented by their years of service with the company, thus veterans were com-

peting among themselves, likewise experienced producers, and new appointees among themselves, with appropriate recognition being given each week to the leaders in volume and in lives in each of the six groups. Weekly quotas were established for each of the nine weeks symbolizing a nine hole golf course. Sports equipment and sports clothing were the prizes.

In the picture Francis L. Merritt, vice-president and director of agencies, presents to President E. H. Mulock a trophy in acknowledgement of the production campaign in his honor. From left to right, Roy C. Campbell, assistant secretary; Dr. Martin I. Olsen, vice-president and medical director; W. F. Poorman, executive vice-president and actuary; Mr. Mulock; Mr. Merritt; and Vern Remer.

Brice Reinsurance Secy.

John W. Brice has been named reinsurance secretary of Great-West Life in connection with an expansion of reinsurance facilities and services. Mr. Brice joined the reinsurance department in 1946 after distinguished war service with the Royal Canadian artillery. He was a member of the Order of the British Empire and was mentioned in dispatches for conspicuous service in Northwest Europe.

Zander to Home Office

E. O. Zander has been appointed a field training supervisor for Kansas City Life. He joined Kansas City Life in 1924. Subsequently he served in Oklahoma, New Mexico and Louisiana. Most recently he has been engaged in field work with headquarters at Birmingham, Ala. He served overseas with American Red Cross during the war.

While at Albuquerque, he was president of Albuquerque Assn. of Life Underwriters, and New Mexico state association.

Zone 2 Meets Oct. 14-15

Zone 2 of National Assn. of Insurance Commissioners will hold its semi-annual meeting at the Neil House, Columbus, O., Oct. 14-15. The previous day the rating bureaus of the participating states will meet. States to be represented are Ohio, Pennsylvania, Delaware, Maryland, Virginia, West Virginia, North Carolina, South Carolina and District of Columbia. Bowles of Virginia is zone chairman.

ROYAL LEAGUE Chicago, Ill.

Legal Reserve Fraternal Life Insurance

Operates Tuberculosis Sanatorium
at Black Mountain, N. C.

Service free to members.

Service at special rates also available to
members of other societies.

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M.D.R.T. Qualification Basis Changed

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1949 round table if he wishes, to adjust his qualifying to the calendar year 1948. He may also split his roll-back between the 1949 and 1950 tables, taking part for each.

This roll-back and duplication of credits are necessary in the case of any member whose most recent qualification is for any period ending later than Dec. 31, 1947. If he were not allowed to duplicate, then whenever he changed his basis to a calendar year, he would have less than a full 12 months' period in which to qualify.

Under the roll-back provision no applicant may duplicate more than a total of six months' business, since under the present qualification procedures the latest date for qualification was June 30.

The provision limiting duplicated business to a maximum averaging \$83,333 per month for six months is intended to prevent the possibility of any member qualifying for two full years on entirely the same business. In effect, it means that during the last six months of his year, any person using the duplication would have to do at least \$500,000 of additional business that had never been credited to any previous round table.

Protective Clause

The full effect of this change will not be felt until 1952, although by 1950 nearly all members will have completed the changeover. There is a protective clause designed to permit any qualifying member, trying to qualify on a 4-out-of-5 basis but not yet having attained his life membership by the time of the 1949 meeting, to be permitted to continue to select any 12 consecutive months out of a total of 18.

Another amendment to the by-laws dealt with the problem caused by the fact that some companies are now compensating full-time agents on salary, or salary and commissions, instead of on a straight commission basis. The round table by-laws refer only to commissions. The executive committee was empowered to use its discretion in construing salaries as commissions if in its judgment the effect of the compensation plan is to give to the agent the approximate equivalent of what he would have had if he had been on a straight commission basis.

Paul W. Cook, Mutual Benefit, Chicago, newly elected MDRT chairman, stated that all current members would receive within a few weeks copies of the amended by-laws together with the full details of the operation of this revised basis of qualification.

Cook Was Vice-Chairman

Mr. Cook was advanced from vice-chairman and had previously served on the executive committee. He was program chairman for this year's meeting. Mr. Cook is a former president of the Chicago Life Underwriters Assn., the Chicago C.L.U., and is a trustee of the American College of Life Underwriters.

Advancement of Theodore Widing, Provident Mutual, Philadelphia, to vice-chairman puts him in line for the top post next year. Walter N. Hiller, Penn Mutual, Chicago, is the new member of the committee.

The gathering was distinctly a working meeting of star salesmen interested in learning how to do a still better job. It was marked by an intensity of purpose that has come to characterize these meetings more and more. Attendance was close to 350.

Breakfast Opens Formal Program

The formal program got under way Monday with the traditional M.D.R.T. breakfast at which Paul Dunnavan, Canada Life, Minneapolis, as chairman introduced the guests. Members stood in a moment of silence in memory of M.D.R.T. members who died in the last year, who included two past chairmen, George Lackey, Massachusetts Mutual,

Detroit and Paul C. Sanborn, New York City, former Boston general agent of Connecticut Mutual. Mr. Dunnavan said Jul B. Baumann, immediate past president National Assn. of Life Underwriters was to have been present to bring greetings from N.A.L.U. but that serious illness of his wife called him back to Houston. His place was taken by John P. Costello, Southwestern Life, Dallas, who has just completed two terms as N.A.L.U. trustee.

At the first general session Mr. Dunnavan introduced William Chittick, Manufacturers Life, Winnipeg, president of the Life Underwriters Assn. of Canada; William S. Leighton, New York Life, Minneapolis, immediate past president American Society of C.L.U.; and Dr. S. S. Huebner, president of the American College, who spoke on the work of the college. Dr. Huebner predicted that in 25 years life insurance will be generally regarded as a profession but warned that it cannot be declared by law to be a profession but can only become one by public acceptance.

In line with tradition the chairman's company was host at a cocktail party and dinner. The company, Canada Life, was represented by E. G. Baker, president; E. C. Gill, vice-president and general manager; T. H. Gooch, director of agencies, and A. Grant MacKenzie, superintendent of agencies.

Mr. Dunnavan introduced Mr. Gill, who acted as toastmaster. He remarked that it was the first occasion on which a Canadian company had had the opportunity of acting as host at such an occasion. Mr. Baker spoke on the close friendship between the United States and Canada. After the dinner colored movies and slides showing Canada's cities and scenic beauty were shown.

Fourfold "Bull Sessions"

There were four concurrent informal "bull sessions" Sunday evening. The one on personal organization and management had as chairman, S. E. Martin, State Mutual, Dallas. Discussion leaders were Reed W. Brinton, New York Life, Salt Lake City; Oscar E. Carlin, John Hancock, Columbus, O.; and F. D. Leete, Jr., Northwestern Mutual, Indianapolis. The session on personal insurance, simple programs, and estate plans had H. Kennedy Nickell, Connecticut General, Chicago, as chairman and as discussion leaders had L. L. Newman, Penn Mutual, Fort Wayne; Maurice Koch, Northwestern Mutual, Cincinnati; and George B. Byrnes, Equitable Society, Pasadena. Paul A. Hazard, New England Mutual, was chairman of the session on pension, profit-sharing and deferred compensation plans. Discussion leaders were Herman A. Zischke, Union Central, Chicago; Adon N. Smith, II, Northwestern Mutual, Charlotte, N. C.; and Denis B. Maduro, New York City insurance lawyer. The session on business insurance, conducted by Harry R. Schultz, Mutual Life, Chicago, had for discussion leaders, Lloyd Ramsey, State Mutual, Memphis; J. Welldon Currie, Mutual Benefit Life and New England Mutual, New York City; and Walter N. Hiller, Penn Mutual, Chicago.

Speakers at the general sessions, most of whose talks are reported elsewhere in this issue, included Edward H. McDermott, tax and finance attorney, Chicago; G. Nolan Bearden, New England Mutual, Los Angeles; Reed W. Brinton, New York Life, Salt Lake City; J. B. Glasser, Continental Assurance, Chicago; A. H. Kollenberg, Mutual Benefit Life, Grand Rapids; Denis B. Maduro, life insurance lawyer, New York City; Meyer M. Goldstein, Connecticut Mutual, New York City; Robert U. Redpath, Northwestern Mutual, New York City; Simon D. Weissman, Equitable Society, Boston; John O. Todd, Northwestern Mutual, Chicago, and A. J. Osheimer, III, Northwestern Mutual, Philadelphia.

Dr. Perry L. Rohrer, sales psychol-

ogy consultant, who was scheduled to speak Monday, was ill and had to cancel the engagement.

PERSONAL SLANTS

Some effective harmonizing was done by a quartet consisting of Sadler Hayes, Penn Mutual, New York City; Joshua B. Glasser, Continental, Chicago; Jack Wardlaw, Provident Mutual, Raleigh, and Charles W. De Gryse, Northwestern Mutual, Chicago. Messrs. Wardlaw and Hayes also strummed the mandolin and guitar respectively.

While attending the M.D.R.T. A. Jack Nussbaum, Massachusetts Mutual, Milwaukee, learned that he had become a grandfather, a daughter having been born to Mrs. Preston H. Weisman of Chicago, Mr. Nussbaum's daughter.

It was the first M.D.R.T. meeting at which the Institute of Life Insurance handled the publicity. Walter E. Schneider was on the job for the institute and ably took care of the trade and daily papers.

John O. Todd, general agent of Northwestern Mutual, Chicago, had with him his wire recorder on which he took down the various talks for the use of himself and his agents.

Four M.D.R.T. members from Honolulu were on hand: William L. Mountcastle, John Hancock; Quan Lun Ching, Prudential; Henry Y. F. Lung, United Benefit Life; and Takao Yamauchi, United States Life.

Mrs. Sis Hoffman, Union Central, Cincinnati, a life member; Mrs. Ethel Gwinn, independent, Chicago, qualifying and repeating; and Mrs. Eunice C. Bush, Mutual Life, Baton Rouge, qualifying for

the first time, were the women agents at the meeting.

N. Dean Rowe, Mutual Life, Johnson, Vt., qualified for the M. D. R. T. in his first 18 months in the life insurance business. He was previously school superintendent in Johnson, a town of 1,400.

A. J. Osheimer, 3rd, past chairman of M. D. R. T., received while he was at the meeting the news that he became a grandfather.

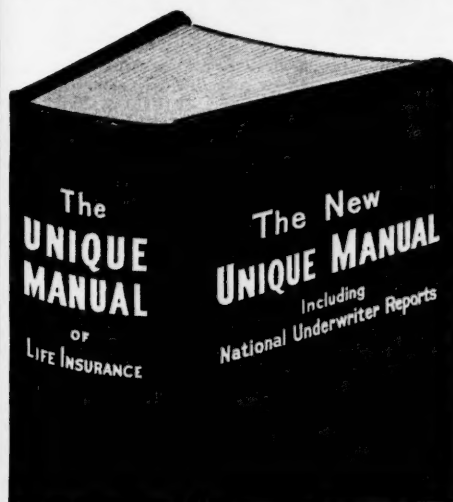
George H. Sneider, who was the first stenotypist to report an M. D. R. T. meeting, was again on hand. He has not missed covering a meeting since he started at it in 1928.

Clarence E. Tobias, Jr., Provident Mutual, Norristown, Pa., arrived in clerical garb but it was no gag. He is an Episcopal minister as well as million dollar producer. His salary as minister is \$1 a year, of which he receives 99 cents net, after federal old age benefit withholding. However, he gets along all right, as he wrote \$3 million while qualifying for this year's round table.

The M. D. R. T. printed program was an exceptionally fine job, containing 52 pages and covers. Not only is there a listing of all members grouped according to life and qualifying members repeating, life members, life and qualifying first time, qualifying and repeating, and qualifying first time but there is an alphabetical list of the entire membership, making it an easy matter to look up any name.

The John D. Marsh agency of Lincoln National Life in Washington, D. C. was represented by six members at the M. D. R. T. meeting: Mr. Marsh, Allen Rutledge, Jr., Mitchell T. Curtis, David I. Moler, Roy H. Woodside, and William P. Graham.

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STEADY GROWTH... Operating in Five States Now

Year	Assets	Capital Surplus	Insurance In Force
1908	5,482	5,482	744,032
1938	1,015,679	302,266	11,741,911
1948	4,969,740	1,417,585	74,653,754

GROW WITH US

In Missouri, Illinois, Iowa, Kansas and Kentucky. We have openings for good personal producers, writing a minimum of 40 applications a year, who are ambitious and would like a Ground Floor General Agency Opportunity.

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Commissioners Seek to Hold Parley with FTC

(CONTINUED FROM PAGE 2)

by Wendell Berge, general counsel for the recently organized Assn. of Insurance Advertisers. This group comprises a number of mail order insurers. The post office department has been moving against a number of companies in this field and there have been several indictments. It is felt that the strategy of these people is to seek to come to terms with FTC so that their whole problem can be regarded as solved and the prosecution approach dropped. In so doing they may open up questions that might involve the whole industry and the future of state regulation, just as the legislation sought by the fire companies, after the S. E. U. A. indictment caused far reaching consequences

to the entire insurance fraternity and to the states.

The commissioners undoubtedly had in the back of their minds the fact that a national election is at hand and that the policy of the next administration as to FTC insurance activity will be a highly important factor. The state officials naturally must have felt that if there is to be a change of administration, it is not now timely to go very far in working out an understanding with FTC.

While there was manifestation of a desire to cooperate with FTC, there was also an obvious reluctance to retreat from any responsibilities of state supervision or to make any move that could be construed as acknowledging that there exists a field for federal intervention.

The commissioners indicated a sensitivity to the implications of the FTC move on the question of survival of state regulation. There was no inclination to minimize the extent of the problem of mail order insurance and undoubtedly there was resolution on the part of individual commissioners to tackle this problem with new vigor so as to maintain the record of the states for effective regulation of insurance in all its aspects.

first four examinations. The text for examination one will be available for this year's study. The text for examination two is in preparation and the remaining two texts should become available in 1950 and 1951 respectively.

Members of the L.O.M.A. at the annual luncheon paid tribute to one of the association's founders and its first president, the late Franklin B. Mead, who died in 1933. The members addressed a testimonial to Mr. Mead's son, Franklin B. Mead, Jr.

The testimonial declared that L.O.M.A., completing its first quarter century, stands as a monument to Mr. Mead's great vision, courage and enthusiasm for improvement in the techniques of management in the life insurance business. His rare organizing ability, the high regard in which he was held by his associates and his ever sound judgment, the testimonial read, contributed much to the enduring nature of the association.

Seminars were held concurrently on industrial life insurance and on A. & H. office methods and procedures. Many experts participated in the two panels, which were presided over by Gilbert C. Clark, associate actuary of the Equitable Life of D. C. and R. D. Wisely, vice-president of North American Accident.

Industrial Seminar

In the industrial seminar office methods for weekly debit industrial insurance valuation were reviewed by A. W. Anderson of the London Life who reported on methods now being followed by 10 companies. District payroll records and procedure were treated by Leonard Mosele of American National.

Five experts led the discussion. Procedures in connection with individual A. & H. and hospital were discussed by Gordon M. Grady, Monarch Life; Roy C. Neuhaus, Washington National Insurance Co.; A. Margaret Fiedler, Great Northern Life; George L. Smith, of Travelers and Robert B. Savage, Wisconsin National.

Participants in the wind-up discussion in the industrial seminar were William S. Glasheen, Metropolitan, who spoke on budgeting expenses, and a panel of four men who spoke on methods employed in inspecting new industrial applications. These included John C. Timmerman, Metropolitan; Richard McDonnell, Sun Life of Baltimore; Francis J. Pinque, Colonial Life and Joseph Hahn, Prudential.

Faulkner Urges Attack on Collectivist Idea

(CONTINUED FROM PAGE 4)

by management. After all, he said, time runs out for management as well as for insured.

The industry must identify personal insurance with the free enterprise system in every one of its important transactions with policyholders, he declared. This is particularly important for the agent who writes the insurance and who delivers the claim check.

Effect of S.E.U.A. Case

Probably the most dramatic reflection of the attitude that big government should intensify regulation and even administer the business is found in the Southeastern Underwriters Assn. decision and the developments it touched off, he commented. While acknowledging the importance of technical and legalistic considerations, that decision and its consequences were possible only because of a changed concept of the proper relationship between government and business. The state insurance departments regarded these developments as a mandate to review the adequacy of existing regulation; some regarded them as preparing the way for a substitution of government authority for management judgment and competition. Thus there have been proposals for standardized policies, statutory minimum benefits, premium rates set by departmental ruling, and introduction of administrative and sales procedures es-

Insurers Get Ready to Write TDB Line in N. J.

(CONTINUED FROM PAGE 2)

writers, H. & A. Underwriters Conference, Life Insurance Assn. of America, and Life Insurers Conference have been conferring with the New Jersey commissioner on the regulations.

Promotional literature is being distributed to both employers and agents by the companies. The usual piece for the employer outlines in brief what the TDB act is, sets out the benefits available and the limitations. The costs to the employers and employees is also shown. Following this is an outline of a private plan being offered by the company. The same items are covered. Also private plans showing greater coverage and advantages are outlined. With these, at a little more cost, the employer can provide increased benefits to his employees.

Literature to Employers, Agents

The literature going to agents and brokers is primarily for information and guidance. This material covers the historical background of the TDB law, gives the laws of the other states having similar plans, presents a statement of the New Jersey law, defines covered employees and sets down the excepted classes. What is necessary under a private plan is set forth, and what benefits and limitations that are found in the state plan is discussed.

One company expects to spend little time in writing new employers immediately but will turn its attention first to changing and modifying group plans now in effect to include TDB. This company has set up an office to do this alone. Later it expects to write complete group insurance plans, of which TDB will be a part.

Commission Scale

Most life companies will pay the regular group graded scale of commissions to all producers, 20% of collected premiums for the first year and 5% on renewal premiums. Some companies plan to pay the 5% renewal commission for as long as the plan is renewed. Or as an alternative a level scale usually used by casualty companies varying from 7½ to 10% of collected premiums will be available. In California the latter has found favor with agents in view of the income tax paid if the 20% is paid in the first year that the business is on the books.

For the casualty companies TDB is something new. There can be little or no underwriting selection. If a class is eliminated proof must be given the state that adverse selection has not been made against the state fund. Also, the problem of industrial hazard found in compensation is not present. Casualty companies also expect to collect premiums direct and allocate the commission after the collection. Handling of disability benefits business is being streamlined, because the profit margin will be narrow. The casualty insurers will make claim payments weekly, and they hope to be able to send checks direct to the employer. It is expected the same procedure will be followed by the life companies.

One company executive expects a further amendment to the New Jersey law to allow coverage for one or more employees.

established in terms of convenience to authority rather than efficiency and economy. While these proposals undoubtedly have been motivated, except rarely, by a desire to give the public the best protection, they imply that the free exercise of initiative in the business should be hedged about by minute regulation.

Personal insurance today is in mid-stream. Where it will be five years from now will depend primarily upon the industry's capacity for cooperation and vigorous action in casting out the collectivistic contamination, Mr. Faulkner declared.

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L.O.M.A. Achievements in 25-Year Span Told

(CONTINUED FROM PAGE 2)

lems common to all companies, for through cooperation the companies lend their best men to each of the research projects. And under the mutual stimulation of common attack on these problems, a far better job results than could be done by any one of them."

L.O.M.A. is essentially a cooperative management research organization, which since 1924 has issued 37 volumes of proceedings of annual and special conferences, 32 special reports and several hundred committee research studies. In addition, it has published 11 textbooks for students. The L.O.M.A. point and job element plans of clerical job evaluation are the result of 15 years of research by the clerical salary study committee. The test committee has developed a battery of intelligence and clerical aptitude tests, basic research has been done in the area of departmental and functional cost account, much work has been done in the field of office methods and procedures and exhaustive analyses of the problems of new home office buildings has been prepared. Specialized areas of life office management have also received appropriate attention by association committees, he said.

EDUCATIONAL IMPACT

During its 16 years existence the L.O.M.A. institute has filled an important educational need in the life insurance world, Harry H. Allen, second vice-president and secretary of Mutual Benefit Life, stated.

From a first enrollment in 1933 of 820 life insurance employees, Mr. Allen reported, the Institute has grown until in 1948 it had 3,586 students who wrote a total of 6,800 examinations. Most of these students came from 140 member companies, from VA offices, from fraternal societies and from state insurance departments.

"Most of this growth in institute enrollment took place during a period when there was little direct promotion of the institute. This demonstration of interest on the part of the employees is remarkable when we consider the fact that employees taking these courses could not be promised specific job promotions or salary increases for their success. It is a tribute to the one hand to the desire of the employees to improve themselves and on the other hand, to the confidence that the companies had in the usefulness of an educational program," Mr. Allen declared.

Mr. Allen said that arrangements have now been made for the preparation of a single unified text for each of the

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You don't believe true stories? then read this

Says **MRS. C. K. POTTER**
LA CROSSE, WISCONSIN



"It is difficult to put in words my true feelings when the liner moved away from the Bremerhaven dock and I was sure that my husband and I were heading for America. I knew I was leaving a land that had been my home, a country ravaged by war, that I loved because of the happy memories of my childhood. I hated to leave my family with no idea of when I might return. I might say that I felt a terrific obligation for the safety of our son and to get to a place where life could be lived in a normal manner.

"Today, America is my home. I have learned to speak and write English, and I have sincerely learned to love my new country. It may sound queer for me to say that I have never known such freedom and plenty. Yes, this is my home, and home after five years under German occupation means to me something wonderful and sweet. My husband's life insurance business has given me a sense of security that is awe-inspiring, and I thank God that I am so fortunate. Home today, I can certainly say from the bottom of my heart, has been created through the medium of our wonderful business association with The Minnesota Mutual Life Insurance Company.

"Because of the terrific distance from my home and France, I realize a tremendous appreciation for the benefits of life insurance. I understand completely the cloak of protection which my husband has wrapped around Steven and me; the lengthened shadow of Clyde's love which will go to work in his place if something should happen to him. It would relieve me of the killing load of being a good mother and a breadwinner too. The reason that my husband can provide this security for us is because of his marvelous earnings in the life insurance business. His enthusiasm has been generated by the terrific sales appeal of the Minnesota Mutual Organized Sales Presentations. I am proud of his accomplishments after such a short time, proud that we own our own home and proud that I live as the song says, 'in the land of the free and the home of the brave'."

"Mrs. C. K. Potter is a native of Metz, France. During World War II she met and married Captain Clyde Potter. Her family lost two sons, one a casualty in the fighting in Germany, the other a victim of the Dachau Concentration Camp. In her letter Mrs. Potter expresses the complete happiness she knows in America, happiness fostered by her husband's phenomenal success as a Minnesota Mutualite.

Clyde Potter decided on a career with Minnesota Mutual in October, 1947. Following his discharge from the Army he sought a position that could offer a promising future for him and his family. A demonstration of the Minnesota Mutual Organized Sales Plan assured him that such a future was to be found with this company. In the first seven months of 1948 he paid for over \$400,000 of new business. Clyde is a member of the "M" club and a completely happy, enthusiastic Minnesota Mutualite with a firm belief in the Organized Sales Plan and the many other efficient sales tools.

THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY
Saint Paul 1, Minnesota

I want to know how Clyde Potter does it. I may be interested.
No obligation to me, of course.

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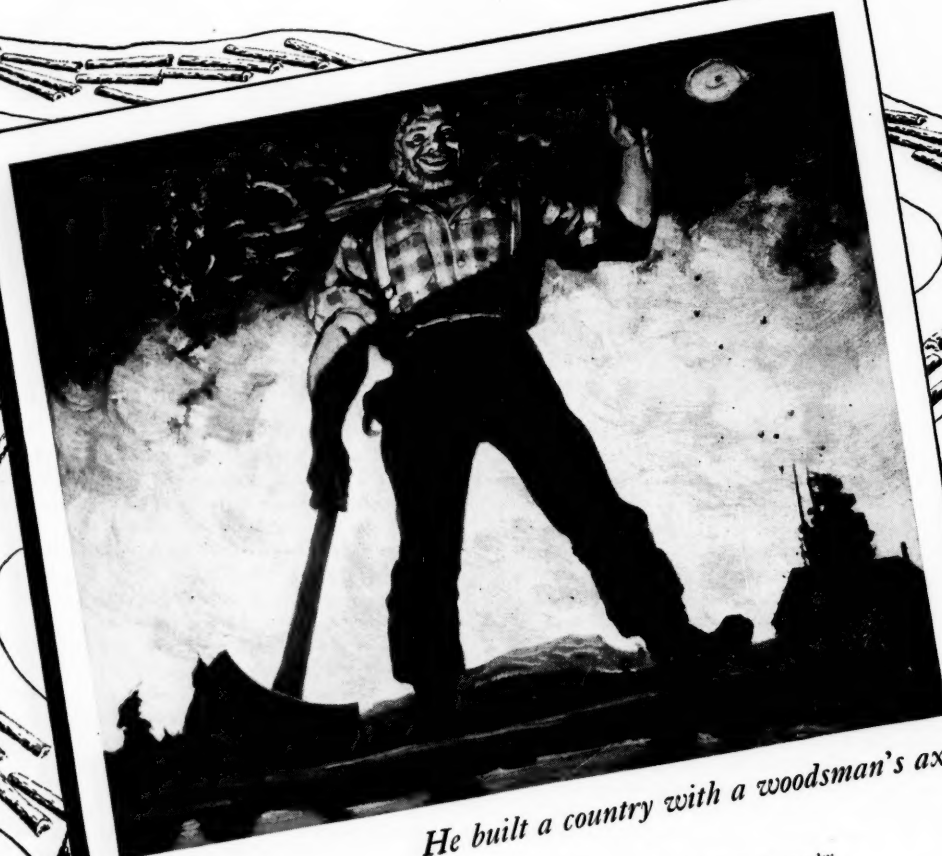
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The Minnesota Mutual Life Insurance Company

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Organized 1880

A current John Hancock advertisement which indicates how the spirit of American independence is fostered and strengthened by Life Insurance. So that these benefits may be shared by all, the John Hancock offers life insurance in all its forms: life, endowment and term policies, juvenile insurance, retirement income policies, annuity contracts, and all plans of group coverage.



He built a country with a woodsman's axe

There were loggers who'd swear with a straight face they'd seen Paul Bunyan alive. But they didn't fool anybody. There couldn't be a man as big as Paul, as strong, as hardworking. He was just a fairy tale giant made up by the yarners around the bunkhouse stove at night.

Or was he?

They said Paul Bunyan stood a mile high in his socks and combed his beard with a pine tree. He could knock down with a sweep of his arm enough timber to build a dozen farmhouses, and lay a hundred miles of railroad ties, and make paper for spelling books for a thousand school kids. There was a whopper for you.

Or was it?

Every night they'd spin their wild yarns . . . and every day those mortal men would do as much as they ever attributed to Paul. They said Paul could clear the wilderness—then they cleared it. They said Paul's muscle timbered America—but it was their work that did it.

There's a real giant in this country, bigger than any the story books tell about. It's the American people when they get together to get something done.

Life insurance is one example of their enterprise. It is simply you and a lot of other Americans getting together to build a good future in a good country.

John Hancock

MUTUAL LIFE INSURANCE COMPANY
BOSTON, MASSACHUSETTS

NEW ENGLAND'S LARGEST FINANCIAL INSTITUTION